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MESSAGE  
FROM THE  
PRESIDENT OF THE UNITED STATES  
TO THE  
TWO HOUSES OF CONGRESS,  
AT  
THE COMMENCEMENT OF THE SECOND SESSION  
OF THE  
FORTY-FIRST CONGRESS,  
WITH THE  
REPORTS OF THE HEADS OF DEPARTMENTS,  
AND  
SELECTIONS FROM ACCOMPANYING DOCUMENTS.

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EDITED BY  
BEN: PERLEY POORE,  
CLERK OF PRINTING RECORDS.

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WASHINGTON:  
GOVERNMENT PRINTING OFFICE.  
1870.

Prepared in accordance with the following provisions of "An act to expedite and regulate the printing of public documents, and for other purposes," approved June 25, 1864 :

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That hereafter, instead of furnishing manuscript copies of the documents usually accompanying their annual reports to each House of Congress, the heads of the several departments of government shall transmit them, on or before the first day of November in each year, to the Superintendent of Public Printing, who shall cause to be printed the usual number, and, in addition thereto, one thousand copies for the use of the Senate and two thousand copies for the use of the House of Representatives. And that it shall be the duty of the Joint Committee on Printing to appoint some competent person, who shall edit and select such portions of the documents so placed in their hands as shall, in the judgment of the committee, be desirable for popular distribution, and to prepare an alphabetical index to the same.

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SEC. 3. *And be it further enacted,* That it shall be the duty of the heads of the several departments of government to furnish the Superintendent of Public Printing with copies of their respective reports on or before the third Monday in November in each year.

SEC. 4. *And be it further enacted,* That it shall be the duty of the Superintendent of Public Printing to print the President's message, the reports of the heads of departments, and the abridgment of accompanying documents prepared under the direction of the Joint Committee on Public Printing, suitably bound; and that, in addition to the number now required by law, and unless otherwise ordered by either House of Congress, it shall be his duty to print ten thousand copies of the same for the use of the Senate, and twenty-five thousand copies for the use of the House, and to deliver the same to the proper officer of each House, respectively, on or before the third Wednesday in December following the assembling of Congress, or as soon thereafter as practicable.

# MESSAGE

## OF THE

### PRESIDENT OF THE UNITED STATES.

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*To the Senate and House of Representatives :*

In coming before you for the first time as Chief Magistrate of this great nation it is with gratitude to the Giver of all good for the many benefits we enjoy: we are blessed with peace at home, and are without entangling alliances abroad to forebode trouble; with a territory unsurpassed in fertility, of an area equal to the abundant support of five hundred millions of people, and abounding in every variety of useful mineral in quantity sufficient to supply the world for generations; with exuberant crops; with a variety of climate adapted to the production of every species of earth's riches, and suited to the habits, tastes, and requirements of every living thing; with a population of forty millions of free people, all speaking one language; with facilities for every mortal to acquire an education; with institutions closing to none the avenues to fame or any blessing of fortune that may be coveted; with freedom of the pulpit, the press, and the school; with a revenue flowing into the national treasury beyond the requirements of the government. Happily, harmony is being rapidly restored within our own borders. Manufactures hitherto unknown in our country are springing up in all sections, producing a degree of national independence unequalled by that of any other power.

These blessings and countless others are intrusted to your care and mine for safe-keeping for the brief period of our tenure of office. In a short time we must, each of us, return to the ranks of the people who have conferred upon us our honors, and account to them for our stewardship. I earnestly desire that neither you nor I may be condemned by a free and enlightened constituency, nor by our own consciences.

Emerging from a rebellion of gigantic magnitude, aided as it was by the sympathies and assistance of nations with which we were at peace, eleven States of the Union were, four years ago, left without legal State governments. A national debt had been contracted; American commerce was almost driven from the seas; the industry of one-half of the country had been taken from the control of the capitalist and placed

where all labor rightfully belongs—in the keeping of the laborer. The work of restoring State governments loyal to the Union, of protecting and fostering free labor, and providing means for paying the interest on the public debt, has received ample attention from Congress. Although your efforts have not met with the success in all particulars that might have been desired, yet, on the whole, they have been more successful than could have been reasonably anticipated.

Seven States which passed ordinances of secession have been fully restored to their places in the Union. The eighth, Georgia, held an election at which she ratified her constitution, republican in form, elected a governor, members of Congress, a State legislature, and all other officers required.

The governor was duly installed, and the legislature met and performed all the acts then required of them by the reconstruction acts of Congress. Subsequently, however, in violation of the constitution which they had just ratified, (as since decided by the supreme court of the State,) they unseated the colored members of the legislature and admitted to seats some members who are disqualified by the third clause of the fourteenth amendment to the Constitution, an article which they themselves had contributed to ratify. Under these circumstances, I would submit to you whether it would not be wise, without delay, to enact a law authorizing the governor of Georgia to convene the members originally elected to the legislature, requiring each member to take the oath prescribed by the reconstruction acts, and none to be admitted who are ineligible under the third clause of the fourteenth amendment.

The freedmen, under the protection which they have received, are making rapid progress in learning, and no complaints are heard of lack of industry on their part where they receive fair remuneration for their labor. The means provided for paying the interest on the public debt, with all other expenses of government, are more than ample. The loss of our commerce is the only result of the late rebellion which has not received sufficient attention from you. To this subject I call your earnest attention. I will not now suggest plans by which this object may be effected, but will, if necessary, make it the subject of a special message during the session of Congress.

At the March term, Congress by joint resolution authorized the Executive to order elections in the States of Virginia, Mississippi, and Texas, to submit to them the constitutions which each had previously, in convention, framed, and submit the constitutions, either entire or in separate parts, to be voted upon, at the discretion of the Executive. Under this authority elections were called.

In Virginia the election took place on the 6th of July, 1869. The governor and lieutenant governor elected have been installed. The legislature met and did all required by this resolution and by all the reconstruction acts of Congress, and abstained from all doubtful authority. I recommend that her senators and representatives be promptly admitted



to their seats, and that the State be fully restored to its place in the family of States. Elections were called in Mississippi and Texas, to commence on the 30th of November, 1869, and to last two days in Mississippi and four days in Texas. The elections have taken place, but the result is not known. It is to be hoped that the acts of the legislatures of these States, when they meet, will be such as to receive your approval, and thus close the work of reconstruction.

Among the evils growing out of the rebellion, and not yet referred to, is that of an irredeemable currency. It is an evil which I hope will receive your most earnest attention. It is a duty, and one of the highest duties of government, to secure to the citizen a medium of exchange of fixed, unvarying value. This implies a return to a specie basis, and no substitute for it can be devised. It should be commenced now and reached at the earliest practicable moment consistent with a fair regard to the interests of the debtor class. Immediate resumption, if practicable, would not be desirable. It would compel the debtor class to pay, beyond their contracts, the premium on gold at the date of their purchase, and would bring bankruptcy and ruin to thousands. Fluctuations, however, in the paper value of the measure of all values (gold) is detrimental to the interests of trade. It makes the man of business an involuntary gambler, for in all sales where future payment is to be made both parties speculate as to what will be the value of the currency to be paid and received. I earnestly recommend to you, then, such legislation as will insure a gradual return to specie payments and put an immediate stop to fluctuations in the value of currency.

The methods to secure the former of these results are as numerous as are the speculators on political economy. To secure the latter I see but one way, and that is to authorize the Treasury to redeem its own paper, at a fixed price, whenever presented; and to withhold from circulation all currency so redeemed until sold again for gold.

The vast resources of the nation, both developed and undeveloped, ought to make our credit the best on earth. With a less burden of taxation than the citizen has endured for six years past, the entire public debt could be paid in ten years. But it is not desirable that the people should be taxed to pay it in that time. Year by year the ability to pay increases in a rapid ratio. But the burden of interest ought to be reduced as rapidly as can be done without the violation of contract. The public debt is represented, in great part, by bonds having from five to twenty and from ten to forty years to run, bearing interest at the rate of six per cent. and five per cent. respectively. It is optional with the government to pay these bonds at any period after the expiration of the least time mentioned upon their face. The time has already expired when a great part of them may be taken up, and is rapidly approaching when all may be. It is believed that all which are now due may be replaced by bonds bearing a rate of interest not exceeding four and a half per cent., and as rapidly as the remainder become due that

may be replaced in the same way. To accomplish this it may be necessary to authorize the interest to be paid at either of three or four of the money centers of Europe, or by any assistant treasurer of the United States, at the option of the holder of the bond. I suggest this subject for the consideration of Congress, and also, simultaneously with this, the propriety of redeeming our currency, as before suggested, at its market value at the time the law goes into effect, increasing the rate at which currency will be bought and sold from day to day, or week to week, at the same rate of interest as government pays upon its bonds.

The subject of tariff and internal taxation will necessarily receive your attention. The revenues of the country are greater than the requirements, and may with safety be reduced. But as the funding of the debt in a four or a four and a half per cent. loan would reduce annual current expenses largely, thus, after funding, justifying a greater reduction of taxation than would be now expedient, I suggest postponement of this question until the next meeting of Congress.

It may be advisable to modify taxation and tariff in instances where unjust or burdensome discriminations are made by the present laws; but a general revision of the laws regulating this subject I recommend the postponement of for the present. I also suggest the renewal of the tax on incomes, but at a reduced rate, say of three per cent., and this tax to expire in three years.

With the funding of the national debt, as here suggested, I feel safe in saying that taxes and the revenue from imports may be reduced safely from sixty to eighty millions per annum at once, and may be still further reduced from year to year, as the resources of the country are developed.

The report of the Secretary of the Treasury shows the receipts of the government for the fiscal year ending June 30, 1869, to be \$370,943,747, and the expenditures, including interest, bounties, &c., to be \$321,490,597. The estimates for the ensuing year are more favorable to the government, and will no doubt show a much larger decrease of the public debt.

The receipts in the treasury, beyond expenditures, have exceeded the amount necessary to place to the credit of the sinking fund as provided by law. To lock up the surplus in the Treasury and withhold it from circulation, would lead to such a contraction of the currency as to cripple trade and seriously affect the prosperity of the country. Under these circumstances, the Secretary of the treasury and myself heartily concurred in the propriety of using all the surplus currency in the treasury in the purchase of government bonds, thus reducing the interest-bearing indebtedness of the country, and of submitting to Congress the question of the disposition to be made of the bonds so purchased. The bonds now held by the Treasury amount to about seventy-five millions, including those belonging to the sinking fund. I recommend that the whole be placed to the credit of the sinking fund.

Your attention is respectfully invited to the recommendations of the Secretary of the Treasury for the creation of the office of Commissioner of Customs Revenue; for the increase of salaries to certain classes of officials; the substitution of increased national bank circulation to replace the outstanding three per cent. certificates; and most especially to his recommendation for the repeal of laws allowing shares of fines, penalties, forfeitures, &c., to officers of the government or to informers.

The office of Commissioner of Internal Revenue is one of the most arduous and responsible under the government. It falls but little, if any, short of a cabinet position in its importance and responsibilities. I would ask for it, therefore, such legislation as, in your judgment, will place the office upon a footing of dignity commensurate with its importance, and with a character and qualifications of the class of men required to fill it properly.

As the United States is the freest of all nations, so, too, its people sympathize with all peoples struggling for liberty and self-government. But while so sympathizing, it is due to our honor that we should abstain from enforcing our views upon unwilling nations, and from taking an interested part, *without invitation*, in the quarrels between different nations or between governments and their subjects. Our course should always be in conformity with strict justice and law, international and local. Such has been the policy of the administration in dealing with these questions. For more than a year a valuable province of Spain, and a near neighbor of ours, in whom all our people cannot but feel a deep interest, has been struggling for independence and freedom. The people and government of the United States entertain the same warm feelings and sympathies for the people of Cuba, in their pending struggle, that they manifested throughout the previous struggles between Spain and her former colonies, in behalf of the latter. But the contest has at no time assumed the conditions which amount to a war in the sense of international law, or which would show the existence of a *de facto* political organization of the insurgents sufficient to justify a recognition of belligerency.

The principle is maintained, however, that this nation is its own judge when to accord the rights of belligerency, either to a people struggling to free themselves from a government they believe to be oppressive, or to independent nations at war with each other.

The United States have no disposition to interfere with the existing relations of Spain to her colonial possessions on this continent. They believe that in due time Spain and other European powers will find their interest in terminating those relations, and establishing their present dependencies as independent powers—members of the family of nations. These dependencies are no longer regarded as subject to transfer from one European power to another. When the present relation of colonies ceases they are to become independent powers, exercising the right of choice and of self-control in the determination of their future condition and relations with other powers.

The United States, in order to put a stop to bloodshed in Cuba, and in the interest of a neighboring people, proposed their good offices to bring the existing contest to a termination. The offer, not being accepted by Spain on a basis which we believed could be received by Cuba, was withdrawn. It is hoped that the good offices of the United States may yet prove advantageous for the settlement of this unhappy strife.

Meanwhile a number of illegal expeditions against Cuba have been broken up.

It has been the endeavor of the administration to execute the neutrality laws in good faith, no matter how unpleasant the task, made so by the sufferings we have endured from lack of like good faith toward us by other nations.

On the 26th of March last the United States schooner *Lizzie Major* was arrested on the high seas by a Spanish frigate, and two passengers taken from it and carried as prisoners to Cuba. Representations of these facts were made to the Spanish government as soon as official information of them reached Washington. The two passengers were set at liberty, and the Spanish government assured the United States that the captain of the frigate in making the capture had acted without law, that he had been reprimanded for the irregularity of his conduct, and that the Spanish authorities in Cuba would not sanction any act that could violate the rights or treat with disrespect the sovereignty of this nation.

The question of the seizure of the brig *Mary Lowell* at one of the Bahama Islands, by Spanish authorities, is now the subject of correspondence between this government and those of Spain and Great Britain.

The Captain General of Cuba, about May last, issued a proclamation authorizing search to be made of vessels on the high seas. Immediate remonstrance was made against this, whereupon the Captain General issued a new proclamation limiting the right of search to vessels of the United States so far as authorized under the treaty of 1795. This proclamation, however, was immediately withdrawn.

I have always felt that the most intimate relations should be cultivated between the republic of the United States and all independent nations on this continent. It may be well worth considering whether new treaties between us and them may not be profitably entered into, to secure more intimate relations, friendly, commercial, and otherwise.

The subject of an inter-oceanic canal, to connect the Atlantic and Pacific Oceans, through the Isthmus of Darien, is one in which commerce is greatly interested. Instructions have been given to our minister to the republic of the United States of Colombia to endeavor to obtain authority for a survey by this government in order to determine the practicability of such an undertaking, and a charter for the right of way to build, by private enterprise, such a work if the survey proves it to be practicable.

In order to comply with the agreement of the United States as to a mixed commission at Lima for the adjustment of claims, it became necessary to send a commissioner and secretary to Lima in August last. No appropriation having been made by Congress for this purpose, it is now asked that one be made covering the past and future expenses of the commission.

The good offices of the United States to bring about a peace between Spain and the South American republics, with which she is at war, having been accepted by Spain, Peru, and Chili, a congress has been invited, to be held in Washington during the present winter.

A grant has been given to Europeans of an exclusive right of transit over the territory of Nicaragua, to which Costa Rica has given its assent, which it is alleged conflicts with vested rights of citizens of the United States. The Department of State has now this subject under consideration.

The minister of Peru having made representations that there was a state of war between Peru and Spain, and that Spain was constructing, in and near New York, thirty gunboats, which might be used by Spain in such a way as to relieve the naval force at Cuba so as to operate against Peru, orders were given to prevent their departure. No further steps having been taken by the representative of the Peruvian government to prevent the departure of these vessels, and I not feeling authorized to detain the property of a nation with which we are at peace, on a mere executive order, the matter has been referred to the courts to decide.

The conduct of the war between the allies and the republic of Paraguay has made the intercourse with that country so difficult that it has been deemed advisable to withdraw our representative from there.

Toward the close of the last administration a convention was signed at London for the settlement of all outstanding claims between Great Britain and the United States, which failed to receive the advice and consent of the Senate to its ratification. The time and the circumstances attending the negotiation of that treaty were unfavorable to its acceptance by the people of the United States, and its provisions were wholly inadequate for the settlement of the grave wrongs that had been sustained by this government as well as by its citizens. The injuries resulting to the United States by reason of the course adopted by Great Britain during our late civil war, in the increased rates of insurance; in the diminution of exports and imports, and other obstructions to domestic industry and production; in its effect upon the foreign commerce of the country; in the decrease and transfer to Great Britain of our commercial marine; in the prolongation of the war and the increased cost (both in treasure and in lives) of its suppression, could not be adjusted and satisfied as ordinary commercial claims, which continually arise between commercial nations. And yet the convention treated them simply as such ordinary claims, from which they differ more widely i

the gravity of their character than in the magnitude of their amount, great even as is that difference. Not a word was found in the treaty, and not an inference could be drawn from it, to remove the sense of the unfriendliness of the course of Great Britain, in our struggle for existence, which had so deeply and universally impressed itself upon the people of this country.

Believing that a convention thus misconceived in its scope and inadequate in its provisions would not have produced the hearty cordial settlement of pending questions, which alone is consistent with the relations which I desire to have firmly established between the United States and Great Britain, I regarded the action of the Senate in rejecting the treaty to have been wisely taken in the interest of peace, and as a necessary step in the direction of a perfect and cordial friendship between the two countries. A sensitive people, conscious of their power, are more at ease under a great wrong, wholly unatoned, than under the restraint of a settlement which satisfies neither their ideas of justice nor their grave sense of the grievance they have sustained. The rejection of the treaty was followed by a state of public feeling on both sides which I thought not favorable to an immediate attempt at renewed negotiations. I accordingly so instructed the minister of the United States to Great Britain, and found that my views in this regard were shared by her Majesty's ministers. I hope that the time may soon arrive when the two governments can approach the solution of this momentous question with an appreciation of what is due to the rights, dignity, and honor of each, and with the determination not only to remove the causes of complaint in the past, but to lay the foundation of a broad principle of public law, which will prevent future differences and tend to firm and continued peace and friendship.

This is now the only grave question which the United State has with any foreign nation.

The question of renewing a treaty for reciprocal trade between the United States and the British provinces on this continent has not been favorably considered by the administration. The advantages of such a treaty would be wholly in favor of the British producer. Except, possibly, a few engaged in the trade between the two sections, no citizen of the United States would be benefited by reciprocity. Our internal taxation would prove a protection to the British producer almost equal to the protection which our manufacturers now receive from the tariff. Some arrangement, however, for the regulation of commercial intercourse between the United States and the Dominion of Canada may be desirable.

The commission for adjusting the claims of the "Hudson Bay and Puget's Sound Agricultural Company" upon the United States has terminated its labors. The award of six hundred and fifty thousand dollars has been made, and all rights and titles of the company on the territory of the United States have been extinguished. Deeds for the

property of the company have been delivered. An appropriation by Congress to meet this sum is asked.

The commissioners for determining the northwestern land boundary between the United States and the British Possessions, under the treaty of 1856, have completed their labors, and the commission has been dissolved.

In conformity with the recommendation of Congress, a proposition was early made to the British government to abolish the mixed courts created under the treaty of April 7, 1862, for the suppression of the slave trade. The subject is still under negotiation.

It having come to my knowledge that a corporate company, organized under British laws, proposed to land upon the shores of the United States and to operate there a submarine cable, under a concession from his Majesty, the Emperor of the French, of an exclusive right for twenty years of telegraphic communication between the shores of France and the United States, with the very objectionable feature of subjecting all messages conveyed thereby to the scrutiny and control of the French government, I caused the French and British legations at Washington to be made acquainted with the probable policy of Congress on this subject as foreshadowed by the bill which passed the Senate in March last. This drew from the representatives of the company an agreement to accept, as the basis of their operations, the provisions of that bill, or of such other enactment on the subject as might be passed during the approaching session of Congress; also, to use their influence to secure from the French government a modification of their concession so as to permit the landing, upon French soil, of any cable belonging to any company incorporated by the authority of the United States, or of any State in the Union, and on their part not to oppose the establishment of any such cable. In consideration of this agreement, I directed the withdrawal of all opposition by the United States authorities to the landing of the cable, and to the working of it, until the meeting of Congress. I regret to say that there has been no modification made in the company's concession, nor, so far as I can learn, have they attempted to secure one. Their concession excludes the capital and the citizens of the United States from competition upon the shores of France. I recommend legislation, to protect the rights of citizens of the United States, as well as the dignity and sovereignty of the nation, against such an assumption. I shall also endeavor to secure, by negotiation, an abandonment of the principle of monopolies in ocean telegraphic cables. Copies of this correspondence are herewith furnished.

The unsettled political condition of other countries less fortunate than our own sometimes induces their citizens to come to the United States for the sole purpose of becoming naturalized. Having secured this, they return to their native country and reside there without disclosing their change of allegiance. They accept official positions of trust or honor,

which can only be held by citizens of their native land; they journey under passports describing them as such citizens; and it is only when civil discord, after perhaps years of quiet, threatens their persons or their property, or when their native state drafts them into its military service, that the fact of their change of allegiance is made known. They reside permanently away from the United States, they contribute nothing to its revenues, they avoid the duties of its citizenship, and they only make themselves known by a claim of protection. I have directed the diplomatic and consular officers of the United States to scrutinize carefully all such claims of protection. The citizen of the United States, whether native or adopted, who discharges his duty to his country, is entitled to its complete protection. While I have a voice in the direction of affairs I shall not consent to imperil this sacred right by conferring it upon fictitious or fraudulent claimants.

On the accession of the present administration it was found that the minister for North Germany had made propositions for the negotiation of a convention for the protection of emigrant passengers, to which no response had been given. It was concluded that, to be effectual, all the maritime powers engaged in the trade should join in such a measure. Invitations have been extended to the cabinets of London, Paris, Florence, Berlin, Brussels, The Hague, Copenhagen, and Stockholm, to empower their representatives at Washington to simultaneously enter into negotiations, and to conclude with the United States conventions identical in form, making uniform regulations as to the construction of the parts of vessels to be devoted to the use of emigrant passengers, as to the quality and quantity of food, as to the medical treatment of the sick, and as to the rules to be observed during the voyage in order to secure ventilation, to promote health, to prevent intrusion, and to protect the females, and providing for the establishment of tribunals in the several countries for enforcing such regulations by summary process.

Your attention is respectfully called to the law regulating the tariff on Russian hemp, and to the question whether, to fix the charges on Russian hemp higher than they are fixed upon Manilla, is not a violation of our treaty with Russia placing her products upon the same footing with those of the most favored nations.

Our manufactures are increasing with wonderful rapidity under the encouragement which they now receive. With the improvements in machinery already effected, and still increasing, causing machinery to take the place of skilled labor to a large extent, our imports of many articles must fall off largely within a very few years. Fortunately, too, manufactures are not confined to a few localities, as formerly, and it is to be hoped will become more and more diffused, making the interest in them equal in all sections. They give employment and support to hundreds of thousands of people at home, and retain with us the means which otherwise would be shipped abroad. The extension of railroads in Europe and the East is bringing into competition with our agricultural



products like products of other countries. Self-interest, if not self-preservation, therefore, dictates caution against disturbing any industrial interest of the country. It teaches us also the necessity of looking to other markets for the sale of our surplus. Our neighbors south of us, and China and Japan, should receive our special attention. It will be the endeavor of the administration to cultivate such relations with all these nations as to entitle us to their confidence, and make it their interest, as well as ours, to establish better commercial relations.

Through the agency of a more enlightened policy than that heretofore pursued toward China, largely due to the sagacity and efforts of one of our own distinguished citizens, the world is about to commence largely increased relations with that populous and hitherto exclusive nation. As the United States have been the initiators in this new policy, so they should be the most earnest in showing their good faith in making it a success. In this connection I advise such legislation as will forever preclude the enslavement of the Chinese upon our soil under the name of coolies; and also prevent American vessels from engaging in the transportation of coolies to any country tolerating the system. I also recommend that the mission to China be raised to one of the first class.

On my assuming the responsible duties of Chief Magistrate of the United States it was with the conviction that three things were essential to its peace, prosperity, and fullest development. First among these is strict integrity in fulfilling all our obligations. Second, to secure protection to the person and property of the citizen of the United States in each and every portion of our common country, wherever he may choose to move, without reference to original nationality, religion, color, or politics, demanding of him only obedience to the laws and proper respect for the rights of others. Third, union of all the States—with equal rights—indestructible by any constitutional means.

To secure the first of these Congress has taken two essential steps: first, in declaring, by joint resolution, that the public debt shall be paid, principal and interest, in coin; and second, by providing the means for paying. Providing the means, however, could not secure the object desired, without a proper administration of the laws for the collection of the revenues and an economical disbursement of them. To this subject the administration has most earnestly addressed itself, with results, I hope, satisfactory to the country. There has been no hesitation in changing officials in order to secure an efficient execution of the laws, sometimes too, where, in a mere party view, undesirable political results were likely to follow, nor any hesitation in sustaining efficient officials, against remonstrances wholly political.

It may be well to mention here the embarrassment possible to arise from leaving on the statute books the so-called "tenure-of-office acts," and to earnestly recommend their total repeal. It could not have been

the intention of the framers of the Constitution, when providing that appointments made by the President should receive the consent of the Senate, that the latter should have the power to retain in office persons placed there, by federal appointment, against the will of the President. The law is inconsistent with a faithful and efficient administration of the government. What faith can an Executive put in officials forced upon him, and those, too, whom he has suspended for reason? How will such officials be likely to serve an administration which they know does not trust them?

For the second requisite to our growth and prosperity time and a firm but humane administration of existing laws (amended from time to time as they may prove ineffective, or prove harsh and unnecessary) are probably all that are required.

The third cannot be attained by special legislation, but must be regarded as fixed by the Constitution itself, and gradually acquiesced in by force of public opinion.

From the foundation of the government to the present, the management of the original inhabitants of this continent, the Indians, has been a subject of embarrassment and expense, and has been attended with continuous robberies, murders, and wars. From my own experience upon the frontiers, and in Indian countries, I do not hold either legislation, or the conduct of the whites who come most in contact with the Indian, blameless for these hostilities. The past, however, cannot be undone, and the question must be met as we now find it. I have attempted a new policy toward these wards of the nation, (they cannot be regarded in any other light than as wards,) with fair results so far as tried, and which I hope will be attended ultimately with great success. The Society of Friends is well known as having succeeded in living in peace with the Indians in the early settlement of Pennsylvania, while their white neighbors of other sects, in other sections, were constantly embroiled. They are also known for their opposition to all strife, violence, and war, and are generally noted for their strict integrity and fair dealings. These considerations induced me to give the management of a few reservations of Indians to them, and to throw the burden of selection of agents upon the society itself. The result has proven most satisfactory. It will be found more fully set forth in the report of the Commissioner of Indian Affairs. For superintendents and Indian agents not on the reservations, officers of the army were selected. The reasons for this are numerous. Where Indian agents are sent, there, or near there, troops must be sent also. The agent and the commander of troops are independent of each other, and are subject to orders from different departments of the government. The army officer holds a position for life; the agent one at the will of the President. The former is personally interested in living in harmony with the Indian, and in establishing a permanent peace, to the end that some portion of his life may be spent within the limits of civilized society. The latter has no such personal

interest. Another reason is an economic one; and still another, the hold which the government has upon a life officer to secure a faithful discharge of duties in carrying out a given policy.

The building of railroads, and the access thereby given to all the agricultural and mineral regions of the country, is rapidly bringing civilized settlements into contact with all the tribes of Indians. No matter what ought to be the relations between such settlements and the aborigines, the fact is they do not harmonize well, and one or the other has to give way in the end. A system which looks to the extinction of a race is too horrible for a nation to adopt without entailing upon itself the wrath of all Christendom and engendering in the citizen a disregard for human life and the rights of others dangerous to society. I see no substitute for such a system except in placing all the Indians on large reservations as rapidly as it can be done, and giving them absolute protection there. As soon as they are fitted for it they should be induced to take their lands in severalty, and to set up territorial governments for their own protection. For full details on this subject I call your special attention to the reports of the Secretary of the Interior and the Commissioner of Indian Affairs.

The report of the Secretary of War shows the expenditures of the War Department for the year ending June 30, 1869, to be \$80,644,042, of which \$23,882,310 was disbursed in the payment of debts contracted during the war, and is not chargeable to current army expenses. His estimate of \$34,531,031 for the expenses of the army for the next fiscal year is as low as it is believed can be relied on. The estimates of bureau officers have been carefully scrutinized, and reduced wherever it has been deemed practicable. If, however, the condition of the country should be such by the beginning of the next fiscal year as to admit of a greater concentration of troops, the appropriation asked for will not be expended.

The appropriations estimated for river and harbor improvements and for fortifications are submitted separately. Whatever amount Congress may deem proper to appropriate for these purposes will be expended.

The recommendation of the General of the Army, that appropriations be made for the forts at Boston, Portland, New York, Philadelphia, New Orleans, and San Francisco, if for no other, is concurred in. I also ask your special attention to the recommendation of the general commanding the military division of the Pacific for the sale of the seal islands of St. Paul and St. George, Alaska Territory, and suggest that it either be complied with, or that legislation be had for the protection of the seal fisheries, from which a revenue should be derived.

The report of the Secretary of War contains a synopsis of the reports of the heads of bureaus, of the commanders of military divisions, and of the districts of Virginia, Mississippi, and Texas, and the report of the General of the Army in full. The recommendations therein con-

tained have been well considered, and are submitted for your action. I, however, call special attention to the recommendation of the Chief of Ordnance, for the sale of arsenals and lands no longer of use to the government; also to the recommendation of the Secretary of War, that the act of 3d March, 1869, prohibiting promotions and appointments in the staff corps of the army, be repealed. The extent of country to be garrisoned, and the number of military posts to be occupied, is the same with a reduced army as with a large one. The number of staff officers required is more dependent upon the latter than the former condition.

The report of the Secretary of the Navy, accompanying this, shows the condition of the navy when this administration came into office, and the changes made since. Strenuous efforts have been made to place as many vessels "in commission," or render them fit for service, if required, as possible, and to substitute the sail for steam whilst cruising, thus materially reducing the expenses of the navy and adding greatly to its efficiency. Looking to our future, I recommend a liberal though not extravagant policy toward this branch of the public service.

The report of the Postmaster General furnishes a clear and comprehensive exhibit of the operations of the postal service, and of the financial condition of the Post Office Department. The ordinary postal revenues for the year ending the 30th of June, 1869, amounted to \$18,344,510, and the expenditures to \$23,698,131, showing an excess of expenditures over receipts of \$5,353,620. The excess of expenditures over receipts for the previous year amounted to \$6,437,992. The increase of revenues for 1869 over those of 1868 was \$2,051,909, and the increase of expenditures was \$967,538. The increased revenue in 1869 exceeded the increased revenue in 1868 by \$996,336; and the increased expenditure in 1869 was \$2,527,570 less than the increased expenditure in 1868, showing by comparison this gratifying feature of improvement, that while the increase of expenditures over the increase of receipts in 1868 was \$2,439,535, the increase of receipts over the increase of expenditures in 1869 was \$1,084,371.

Your attention is respectfully called to the recommendations made by the Postmaster General for authority to change the rate of compensation to the main trunk railroad lines for their services in carrying the mails; for having post route maps executed; for reorganizing and increasing the efficiency of the special agency service; for increase of the mail service on the Pacific, and for establishing mail service, under the flag of the Union, on the Atlantic; and most especially do I call your attention to his recommendation for the total abolition of the franking privilege. This is an abuse from which no one receives a commensurate advantage; it reduces the receipts for postal service from twenty-five to thirty per cent., and largely increases the service to be performed. The method by which postage should be paid upon public matter is set forth fully in the report of the Postmaster General.

The report of the Secretary of the Interior shows that the quantity of

public lands disposed of during the year ending the 30th of June, 1869, was 7,666,152 acres, exceeding that of the preceding year by 1,010,409 acres. Of this amount 2,899,544 acres were sold for cash, and 2,737,365 acres entered under the homestead laws. The remainder was granted to aid in the construction of works of internal improvement, approved to the States as swamp land, and located with warrants and scrip. The cash receipts from all sources were \$4,472,886, exceeding those of the preceding year \$2,840,140.

During the last fiscal year 23,196 names were added to the pension rolls, and 4,876 dropped therefrom, leaving at its close 187,963. The amount paid to pensioners, including the compensation of disbursing agents, was \$28,422,884, an increase of \$4,411,902 on that of the previous year. The munificence of Congress has been conspicuously manifested in its legislation for the soldiers and sailors who suffered in the recent struggle to maintain "that unity of government which makes us one people." The additions to the pension rolls of each successive year, since the conclusion of hostilities, result in a great degree from the repeated amendments of the act of the 14th of July, 1862, which extended its provisions to cases not falling within its original scope. The large outlay which is thus occasioned is further increased by the more liberal allowance bestowed, since that date, upon those who in the line of duty were wholly or permanently disabled. Public opinion has given an emphatic sanction to these measures of Congress, and it will be conceded that no part of our public burden is more cheerfully borne than that which is imposed by this branch of the service. It necessitates for the next fiscal year, in addition to the amount justly chargeable to the naval pension fund, an appropriation of thirty millions of dollars.

During the year ending the 30th of September, 1869, the Patent Office issued 13,762 patents, and its receipts were \$686,389, being \$213,926 more than the expenditures.

I would respectfully call your attention to the recommendation of the Secretary of the Interior, for uniting the duties of supervising the education of freedmen with the other duties devolving upon the Commissioner of Education.

If it is the desire of Congress to make the census, which must be taken during the year 1870, more complete and perfect than heretofore, I would suggest early action upon any plan that may be agreed upon. As Congress, at the last session, appointed a committee to take into consideration such measures as might be deemed proper in reference to the census, and report a plan, I desist from saying more.

I recommend to your favorable consideration the claims of the Agricultural Bureau for liberal appropriations. In a country so diversified in climate and soil as ours, and with a population so largely dependent upon agriculture, the benefits that can be conferred by properly fostering this bureau are incalculable.

I desire respectfully to call the attention of Congress to the inadequate salaries of a number of the most important offices of the government. In this message I will not enumerate them, but will specify only the justices of the Supreme Court. No change has been made in their salaries for fifteen years. Within that time the labors of the court have largely increased, and the expenses of living have at least doubled. During the same time Congress has twice found it necessary to increase largely the compensation of its own members; and the duty which it owes to another department of the government deserves, and will undoubtedly receive, its due consideration.

There are many subjects not alluded to in this message which might with propriety be introduced, but I abstain, believing that your patriotism and statesmanship will suggest the topics, and the legislation most conducive to the interests of the whole people. On my part, I promise a rigid adherence to the laws, and their strict enforcement.

U. S. GRANT.

EXECUTIVE MANSION,

*Washington, D. C., December 6, 1869.*

# REPORT

OF

## THE SECRETARY OF THE TREASURY.

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TREASURY DEPARTMENT,  
*December 6, 1869.*

SIR: I have the honor to submit herewith the annual report of the doings and condition of the Treasury Department. In this report I naturally treat, first of matters of administration, and then of measures of public policy.

The officers in charge of the various bureaus and divisions of the Treasury Department have faithfully performed their duties, and I commend their several reports to the consideration of Congress.

The Treasurer of the United States has prepared an elaborate report, setting forth the present condition of the Treasury, and furnishing a *résumé* of the business of the Treasurer's office from 1861 to the present time.

The long and faithful services of the present Treasurer entitle him to the gratitude of the country.

The report of the Commissioner of Internal Revenue is respectfully commended to the attention of Congress. Since the appointment of the present Commissioner the administration of the office has been constantly improving. The increase of receipts for the first five months of the present fiscal year in the sum of \$14,431,333 06 over the amount collected in the first five months of the last fiscal year is satisfactory testimony to the ability and integrity of the persons employed in that branch of the public service.

The amount paid by warrants for collecting the revenue from customs during the fiscal year ending June 30, 1868, was \$6,378,385 43; and for the year ending June 30, 1869, \$5,376,738 13, showing a decrease of \$1,001,647 30. This decrease in the cost of collecting the revenue has not been attended by any loss of efficiency in the service. On the other hand, it is believed that the means for the detection of smuggling are better than ever before, and that the custom-house service is also constantly improving. It ought to be understood that the chief means of collecting the revenue and enforcing the revenue laws must be found in the administration of the appraiser's department. The frauds and losses arising from actual smuggling are unimportant when compared with the losses sustained through incompetent or dishonest examiners

and appraisers. Assuming that honest men may be obtained for these important positions at the present salaries, it is yet true that an incompetent appraiser or examiner may daily subject the government to losses far exceeding his annual salary.

Under existing laws, certain revenue officers and other persons appearing as informers are entitled to shares in fines, penalties, and forfeitures. During the fiscal year 1868-'69 the Treasury Department distributed the sum of \$286,073 61 to such officers and to informers in the various cases arising under the customs-revenue laws. A large additional sum was also paid through the Internal Revenue office. The reason on which the laws granting such allowances are based is that officers of the government are stimulated to greater activity in the discovery of frauds and in bringing offenders to punishment. There can be no doubt that such is the effect of the policy; but the experience I have had in the Treasury Department has convinced me that the evils attending the system are greater than the benefits derived from it. It often occurs that revenue officers are led to assert claims in behalf of the government which have no just foundation in law or in the facts of the respective cases; and where real claims exist it is often the object of the informers and officers who share in the penalties to misrepresent the case to the department, so as to secure the greatest advantage to themselves. But a more serious evil is found in the practice, quite general, of allowing persons to pursue a fraudulent course until a result is reached which will inure to the benefit of the officers and informers, instead of checking criminal practices at the outset. It is impossible to set forth in exact language the character of the evils that grow out of the present system. I am, however, clearly of the opinion that the government ought to rely upon public officers for the proper performance of their duties without stimulating them by any contingent advantages. I have elsewhere recommended an increase of the salaries of custom-house officers; and the abolition of the system of giving to them a share of fines, penalties, and forfeitures will be an additional reason for the increase of salaries in this department of the public service.

It has become a practice for clerks and other persons who have held office in the Treasury Department to accept employment as agents or attorneys for parties having claims against the department; and there is reason to believe that in some instances the information obtained while in the public service has been used in aid of the claimants. Without detailing all the objections to this practice, I respectfully suggest that a law be passed barring persons from practicing before the Treasury Department as agents or attorneys in behalf of claims that were pending when such persons were officers therein.

In March last there were employed in the Treasury Department at Washington 2,848 clerks, messengers, and laborers, at a monthly cost of \$285,921 51. At present the whole number of such employes is 2,441, and their monthly pay amounts to \$238,280 84; showing a decrease of



expenses at the rate of \$571,688 04 per annum. It was found necessary, however, during the period mentioned, to increase the force in the Internal Revenue office and in the office of the First Comptroller. This increase, in the aggregate, is at the rate of \$80,440 per annum. This statement does not relate to the force employed in the Bureau of Engraving and Printing.

In March last there were sixty-two special agents in the service of the department, receiving, in the aggregate, for their services the sum of \$371 10 per day. Each of these agents made his reports to the department and acted under its direct orders. The number at present employed is fifty-four, and their daily pay amounts to \$368 85. The pay of the agents has been increased generally, in the hope that more efficient services might be obtained. The seacoast and frontiers of the country have been divided into sixteen special agency districts, and a superintendent appointed for each. Assistants have been appointed and detailed to act under the several district agents. The orders of the department are in all cases sent to the agent in charge of the district, and the reports of his assistants are made to him. The agent is required to make a monthly report of his own doings and of the doings of his subordinates. The results thus far obtained appear to justify the organization introduced.

Arrangements have been made for the manufacture of paper for the currency and other obligations of the United States, and for the printing of the same, which increase the security of the government against unlawful issues from the genuine plates. Under the eleventh section of an act approved June 30, 1864, entitled "An act to provide ways and means for the support of the government, and for other purposes," a peculiar paper has been designated as the government paper, and by that act it is made a felony for any person to have or retain in his possession any similar paper adapted to the making of any obligation or security of the United States, except under the authority of the Secretary of the Treasury, or some other proper officer of the United States. Arrangements have been made for the manufacture of this paper by Messrs. Wilcox & Co., near Philadelphia, and the mills owned by them, which are exclusively devoted to this purpose, have been placed under the supervision of the officers of the government, and such precautions have been taken for the custody of portions of the machinery as to render it improbable that the paper manufactured can be obtained by dishonest means. It is received by an agent of the government, stationed at the mills, and, upon the requisitions of the department, is shipped to the National Bank Note Company, the American Bank Note Company, or to the Printing Bureau of the Treasury Department, as the case may require. Arrangements have also been made with each of the two companies mentioned for preparing one set of plates for every issue of currency or other obligation. The Engraving and Printing Bureau at Washington prepares a third set, and each office places an imprint upon

every obligation of the government. Notice of the transmission of paper from the agent at the mills and its receipt by each of the several offices, of the deliveries therefrom to the Sealing Bureau in the Treasury Department, and also of deliveries to the Treasurer of the United States, is given each day by telegram or by letter, and on the following day the accountants in the Treasury Department prepare a statement showing the disposition of every sheet of paper manufactured. In the month of November the paper at the mill and in each of the several printing establishments was carefully counted, and the result compared with the accounts in the Treasury Department. In an aggregate of about 7,000,000 of sheets received by the agent at the mills, discrepancies were found to the extent of sixty sheets of fractional currency paper, and for the money value of which the companies doing the work are responsible. It is believed that these arrangements furnish better security than has heretofore existed against the fraudulent issue of currency or other obligations of the government by the use of the original dies or plates, and the system of frequent examinations of the several establishments intrusted with the work will disclose at once any discrepancies in the accounts. It is not probable that the changes made will diminish the expense; indeed, the cost is greater than it would be if the work in all its branches were done in the Treasury Department. In my judgment, however, the additional security is of more consequence to the government than the mere economy of money in the expense of engraving and printing.

The marine hospital service of the country is upon the whole in an unsatisfactory condition. Several hospitals have been erected at points where at present they are not needed, while the great commercial cities of New York, Philadelphia, and Baltimore have no hospital accommodations for sick and disabled seamen. During the past season a careful examination of these institutions has been made by Dr. Stewart, an agent of the Treasury Department, and by Dr. Billings, of the United States Army. The result of their examination is that several hospitals have not been properly managed, that others should be closed, and that hospitals should be erected at New York, Baltimore, and Philadelphia. Measures have already been taken for the sale of the hospitals at several places where they are not needed. The hospital at New Orleans is represented as unsuitable, from bad location and other circumstances. The War Department is in possession of suitable hospitals at New Orleans and New York, which, as I am informed, are no longer needed for the use of the army. I respectfully recommend that they be transferred to the Treasury Department.

The revenue marine system is an important and expensive branch of the customs revenue service. There are thirty-six vessels belonging to the department, of which twelve are sailing vessels and twenty-four are steamers. They vary in size from forty to four hundred and eighty tons.

One hundred and seventy-three officers and eight hundred and twenty-

four men are required to man these vessels, and their running expenses amount to about \$865,000 a year. Five of these vessels—side-wheel steamers, of four hundred and eighty tons burden—are lake steamers, and out of commission. They are rapidly diminishing in value, while the care of them involves an annual expense of about \$70,000. The vessels now in the service have been purchased and built at various times, and, as far as I can ascertain, without special reference to the nature of the duty to be performed, and certainly without any matured plan. From one-half to three-fourths of the whole number are not adapted to the business. Congress recently appropriated \$300,000 for the construction of four additional vessels, and proposals were issued and bids received under the authority thus conferred upon the Secretary of the Treasury, but no contracts have yet been made. An examination of the subject has forced the conviction upon me that it is inexpedient to incur the expenditure until the department is in possession of more accurate and complete information. I shall therefore take the opinion of a board of competent officers upon the following points: First. The size and character of vessels required by the nature of the service that they are to perform. Secondly. Whether they should be constructed of iron or wood, or of a combination of these materials. When the report of the commission shall have been received, proposals will be issued for the construction of four vessels as authorized.

In addition to the parent mint at Philadelphia, six branch mints have been established at various times in different parts of the country: one at San Francisco, one at New Orleans, one at Charlotte, North Carolina, one at Dahlonega, Georgia, one at Denver, Colorado, and one at Carson City, Nevada. A branch mint is also in process of erection at Dalles City, Oregon. Since the commencement of the war, the branches at New Orleans and Dahlonega have been closed. An assay office, it is believed, will satisfy the necessities of the mining interests in Colorado, and, for the present, only a limited business will be done at the Carson mint. Indeed, with the construction of railroads, and the consequently increasing facilities for communication, I am of opinion that the business of coining will be chiefly at one mint upon the Pacific, and at one mint upon the Atlantic coast. Under an act of Congress, passed July 23, 1866, preparations are making for the sale of the mints at Charlotte and Dahlonega. The mining and coining of the precious metals is now so large a national interest that it deserves more attention than it has hitherto received. At present there is no bureau or officer in the Treasury Department at Washington charged specially with the management of this great interest. I therefore recommend that provision be made for the appointment of a proper officer to be intrusted with this branch of the public business under the direction of the Secretary of the Treasury.

The coinage of the country is diminished in amount by the fact that in England and France the mint expenses are much less than with

us. It would no doubt have a tendency to prevent the export of the precious metals in the form of bullion if the mint charges were to be reduced or altogether abolished.

An agreement was made on the 11th day of February, 1869, between the Secretary of the Treasury, on behalf of the United States, and certain parties in California, leasing a lot of land in San Francisco, known as "the custom-house block," for the period of twenty-five years. This lease is subject to the condition that it shall be void if Congress, on or before the 1st day of January, 1870, shall take adverse action in reference thereto. In view of the fact that the lease is for a long period of time, and being of the opinion that the government should retain control of property that may be needed for public purposes, I think it expedient for Congress to annul the lease.

Considerable progress has been made upon the foundations of the post office building in the city of New York, and of the post office and independent treasury building in the city of Boston. The supervising architect of the Treasury Department is of the opinion that the walls and roofs of the buildings may be completed during the next year if sufficient appropriations are furnished. The works having been undertaken, I am of opinion that it is economical to make the necessary appropriations for their speedy completion.

During the month of December the department will be prepared to submit a report upon the condition of our commercial marine. That report will show that the navigation interest of the country has not recovered from the losses sustained during the war, and also that efficient measures are necessary for its restoration.

I cannot omit to call the attention of Congress to the inadequacy of the salaries paid to officers in the Treasury Department who exercise discretion, and whose acts bind the government or affect directly its expenditures or revenues. Some of the salaries were fixed when the government was organized, others when new offices were added, and but few of them have been increased recently. It is unquestionably true that persons having equal ability and clothed with similar responsibility receive much larger compensation from individuals and corporations; and although many of the officers now in the public service are likely to continue, from the circumstance that their vocation has led them aside from the ordinary channels of business, yet as an act of justice to them, and in the interest of the government, I earnestly recommend an increase of their pay. Speaking generally, this increase of pay should be extended to revenue officers in the customs service, such as collectors, surveyors, naval officers, and especially to appraisers and examiners in the appraiser's department. Should the recommendation to repeal the laws granting shares of penalties, fines, and forfeitures to public officers be adopted, it will be necessary to increase the salaries of collectors, naval officers, and surveyors at all the principal ports of the country. It is a plain truth that the government has no right to expect

the services of competent men as appraisers and examiners at the present inadequate salaries. In the larger cities they are insufficient for the support of a family, and under such circumstances the government is not without responsibility when it places its officers in such a position that they are compelled to choose between dishonesty on the one hand and penury on the other. The salaries of the assistant treasurers and their principal officers should also be increased, and for substantially the same reasons. It has been found impossible for the last few years to retain the services of the most efficient clerks in the Treasury Department except by additions to their lawful salaries, through an appropriation placed in the hands of the Secretary for that purpose. The distribution of this appropriation is an unpleasant duty for the Secretary, and it cannot be performed without producing jealousies and discontents among the officers of the department. Speaking generally, it may be said that the heads of bureaus, chief clerks, and clerks in charge of divisions, are inadequately compensated for the services they perform. The routine business of the department can be performed in a satisfactory manner by clerks receiving the compensation now provided by law; but men on whose judgment and discretion the government relies for the proper transaction of the business of the country, and whose labors are not limited to the ordinary hours of duty, should be made to feel that they are properly compensated.

There are two changes in the organization of the Treasury Department which I consider important. The first change to which I refer is the creation of a Chief Comptroller of the Treasury, who shall be authorized to control the system of accounting by the several Auditors and Comptrollers, and to whom all appeals shall be made upon questions arising in the accounting offices of the Treasury. The creation of this office, clothed with the powers indicated, will give uniformity to the accounting system, and I trust it will be in the power of the officer appointed to simplify the system and materially reduce the expenses of the department in this particular.

The second change to which I call attention, is, in my opinion, even more important. At present, there are eight divisions in the Secretary's office, whose duties are connected exclusively with the customs revenue system. There is no person, except the Secretary of the Treasury, who is by law authorized to pass finally, or in any way authoritatively, upon questions arising in the administration of the customs revenue laws. At the present time the revenue from customs is as large as the revenue from the excise system. The number of men employed and the field of its operations are nearly as great. It is impossible for the Secretary of the Treasury to give to the various questions that arise in the administration of the system that attention which is essential to the service. The duties of superintending the collection of the customs revenue are so varied, delicate, and important, as to justify and require the exclusive attention of the most competent person whose services can be obtained. The ex-

perience of the present year in the administration of the internal revenue system and the collection of the excise tax, justifies the opinion that the establishment of the office of commissioner of customs revenue, corresponding in powers and position to that of the office of Commissioner of Internal Revenue, and the appointment of a competent commissioner, would render the execution of the customs revenue laws much more efficient and harmonious, while the revenue would probably be increased to the amount of many millions of dollars annually. Nor is it probable that the expenses would be materially greater.

Including interest earned and not paid, and deducting cash on hand, the debt of the United States, on the 1st of March last, was \$2,525,463,260 01, and, subject to the same conditions, it was \$2,453,559,735 23 on the 1st of the present month, showing a decrease of \$71,903,524 78.

This apparent decrease of the public debt is less than the actual decrease. Considerable sums have been paid on account of war and other old claims not previously ascertained, and therefore not included in any debt statement.

The account of March 1, from the necessity of the case, included only the interest accrued *and not then payable*; but, as a matter of fact, there were outstanding and *overdue* interest coupons, and of these several millions have since been paid out of the ordinary revenue. Previous to March 1, no interest account had ever been kept with the several loans. Such measures as were found practicable have since been taken to ascertain the exact condition of these accounts.

The bonds issued by the United States in aid of railways, amounting to \$62,625,320, being in the nature of a loan, are not included in the foregoing statement.

During the fiscal year ending June 30, 1869, there was an excess of receipts over expenditures, including interest on the public debt, of \$49,453,149 46. Of this excess, \$12,992,370 03, as nearly as can now be ascertained, arose previous to March 1, and the remainder, \$36,460,779 43, between that time and the 1st day of July. This excess was applied from time to time to the purchase of 5-20 bonds, and the excess of receipts since July 1 has been used in the same manner. These purchases amounted, in the aggregate, on the 30th day of November, to \$75,476,800. As a large part of the excess of receipts was realized in coin, sales of gold have been made from time to time, and the proceeds applied to the purchase of bonds. With the exception of the sale of moderate amounts of coin in Chicago, New Orleans, St. Louis, and Baltimore, for the payment of duties, the sales of gold and the purchases of bonds have been made uniformly through the agency of the assistant treasurer at New York, and without any expense to the government, except the comparatively small amount paid for advertising the proposals. The average premium on gold sold since March the 1st has been 32 $\frac{1}{2}$  per cent., and the average premium paid for bonds has been 10 $\frac{2}{3}$  per cent. Upon the

basis of the sales of gold and the purchase of bonds, the average price paid for bonds, in coin, has been  $88\frac{5}{8}$  per cent.

The act of February 25, 1862, provided that the coin received for duties upon imported goods should be annually set apart as a sinking fund to the extent of *one per centum* of the entire debt of the United States. In conformity with this requirement, I have purchased bonds to the amount of \$20,044,800, and designated them as belonging to the sinking fund. These purchases are a substantial compliance with the statute from the 4th of March last. I have not felt myself authorized or required to make any provision for the time that elapsed after the passage of the act and previous to the commencement of the present administration. With the excess of means at my command I have purchased bonds in addition to those purchased for the sinking fund to the amount of \$55,432,000. These are held as a special fund, subject to the action of Congress, and I respectfully recommend that they be added to the sinking fund, and that any future purchases that may be made be so added, until the gross amount shall constitute a fund equal to that which would have been created if there had been no delay in the execution of the law.

The depreciation of the currency is due to two causes—first, an excessive issue; and secondly, to the want of faith in the government; and the extent of the influence of the first-named cause cannot be ascertained until the second is removed substantially. Whenever our credit shall be so much improved at home and abroad that holders of our bonds are disposed to retain them, even when the public mind is excited upon financial subjects, we shall be able to judge more accurately the extent of the overissue of paper money. It is also true that the quantity of currency necessary for the transaction of the business of the country cannot now be fixed accurately. Since the close of the war the wants of the States of the South have increased, and, consequently, a large amount of currency has been withdrawn from other sections to supply the demand there created. The amount necessary for the purposes of the South will steadily increase for the next two years. The construction of the Pacific railroad is likely to result in the substitution of paper for coin by the people on the Pacific coast. It is probable that the demand for paper for that purpose will not be less than thirty millions of dollars. As a consequence, a very large quantity of coin will be withdrawn from circulation, and thus practically the coin will be increased upon the Atlantic coast, and the paper in circulation in the States east of the Rocky Mountains will be materially reduced. These changes will tend to diminish the difference between paper and coin.

The ability of the country to resume specie payments will not be due to any special legislation upon that subject, but to the condition of its industries, and to its financial relations to other countries. These, of course, will be more or less dependent upon the general policy of the government. The war exhausted the country of its material wealth, and

perience of the present year in the administration of the internal revenue system and the collection of the excise tax, justifies the opinion that the establishment of the office of commissioner of customs revenue, corresponding in powers and position to that of the office of Commissioner of Internal Revenue, and the appointment of a competent commissioner, would render the execution of the customs-revenue laws much more efficient and harmonious, while the revenue would probably be increased to the amount of many millions of dollars annually. Nor is it probable that the expenses would be materially greater.

Including interest earned and not paid, and deducting cash on hand, the debt of the United States, on the 1st of March last, was \$2,525,463,260 01, and, subject to the same conditions, it was \$2,453,559,735 23 on the 1st of the present month, showing a decrease of \$71,903,524 78.

This apparent decrease of the public debt is less than the actual decrease. Considerable sums have been paid on account of war and other old claims not previously ascertained, and therefore not included in any debt statement.

The account of March 1, from the necessity of the case, included only the interest accrued *and not then payable*; but, as a matter of fact, there were outstanding and *overdue* interest coupons, and of these several millions have since been paid out of the ordinary revenue. Previous to March 1, no interest account had ever been kept with the several loans. Such measures as were found practicable have since been taken to ascertain the exact condition of these accounts.

The bonds issued by the United States in aid of railways, amounting to \$62,625,320, being in the nature of a loan, are not included in the foregoing statement.

During the fiscal year ending June 30, 1869, there was an excess of receipts over expenditures, including interest on the public debt, of \$49,453,149 46. Of this excess, \$12,992,370 03, as nearly as can now be ascertained, arose previous to March 1, and the remainder, \$36,460,779 43, between that time and the 1st day of July. This excess was applied from time to time to the purchase of 5-20 bonds, and the excess of receipts since July 1 has been used in the same manner. These purchases amounted, in the aggregate, on the 30th day of November, to \$75,476,800. As a large part of the excess of receipts was realized in coin, sales of gold have been made from time to time, and the proceeds applied to the purchase of bonds. With the exception of the sale of moderate amounts of coin in Chicago, New Orleans, St. Louis, and Baltimore, for the payment of duties, the sales of gold and the purchases of bonds have been made uniformly through the agency of the assistant treasurer at New York, and without any expense to the government, except the comparatively small amount paid for advertising the proposals. The average premium on gold sold since March the 1st has been  $32\frac{2}{3}$  per cent., and the average premium paid for bonds has been  $16\frac{2}{3}$  per cent. Upon the



basis of the sales of gold and the purchase of bonds, the average price paid for bonds, in coin, has been  $88\frac{8}{10}\%$  per cent.

The act of February 25, 1862, provided that the coin received for duties upon imported goods should be annually set apart as a sinking fund to the extent of *one per centum* of the entire debt of the United States. In conformity with this requirement, I have purchased bonds to the amount of \$20,044,800, and designated them as belonging to the sinking fund. These purchases are a substantial compliance with the statute from the 4th of March last. I have not felt myself authorized or required to make any provision for the time that elapsed after the passage of the act and previous to the commencement of the present administration. With the excess of means at my command I have purchased bonds in addition to those purchased for the sinking fund to the amount of \$55,432,000. These are held as a special fund, subject to the action of Congress, and I respectfully recommend that they be added to the sinking fund, and that any future purchases that may be made be so added, until the gross amount shall constitute a fund equal to that which would have been created if there had been no delay in the execution of the law.

The depreciation of the currency is due to two causes—first, an excessive issue; and secondly, to the want of faith in the government; and the extent of the influence of the first-named cause cannot be ascertained until the second is removed substantially. Whenever our credit shall be so much improved at home and abroad that holders of our bonds are disposed to retain them, even when the public mind is excited upon financial subjects, we shall be able to judge more accurately the extent of the overissue of paper money. It is also true that the quantity of currency necessary for the transaction of the business of the country cannot now be fixed accurately. Since the close of the war the wants of the States of the South have increased, and, consequently, a large amount of currency has been withdrawn from other sections to supply the demand there created. The amount necessary for the purposes of the South will steadily increase for the next two years. The construction of the Pacific railroad is likely to result in the substitution of paper for coin by the people on the Pacific coast. It is probable that the demand for paper for that purpose will not be less than thirty millions of dollars. As a consequence, a very large quantity of coin will be withdrawn from circulation, and thus practically the coin will be increased upon the Atlantic coast, and the paper in circulation in the States east of the Rocky Mountains will be materially reduced. These changes will tend to diminish the difference between paper and coin.

The ability of the country to resume specie payments will not be due to any special legislation upon that subject, but to the condition of its industries, and to its financial relations to other countries. These, of course, will be more or less dependent upon the general policy of the government. The war exhausted the country of its material wealth, and

the States of the South were literally impoverished. A necessary condition for the resumption of specie payments was the development of the industry of the nation, both South and North, and the consequent accumulation of the movable products of industry to such an extent that our exports of those products should be equal substantially to our imports. So long as it is necessary to pay for merchandise imported, by the transfer of government bonds or other evidences of indebtedness to other countries, so long it will be impracticable to resume and maintain specie payments. When the products of industry exported shall be equal substantially to the products of other countries imported, there will be no demand for specie for export, except what may arise from the circumstance that our bonds held abroad are sent home, sold in our markets, and the proceeds exported in coin. When the credit of the country shall be fully established in Europe, and there shall be no doubt either of our ability or disposition to meet all our obligations, bonds heretofore, and now to a large extent, held by merchants and bankers, will be transferred to capitalists for permanent investment. When this change shall have taken place, the probability of our securities being sent home under the influence of political or financial disturbances in Europe will be very slight; and when, as a concurring fact, our exports, exclusive of public securities, shall be equal to our imports, specie payments may be resumed without even a temporary embarrassment to the business of the country.

One of the most efficient means of strengthening the country in its financial relations with other countries is the development of our commercial marine. The returns show that a very large amount of the foreign trade is in English hands. We are not only thus dependent upon a rival country for the performance of the business which should be in the hands of our own people, but our ability to maintain specie payments is materially diminished. If the entire foreign trade of the country, both of exports and imports, were carried on in American ships, the earnings would not be less than seventy-five millions of dollars a year. At present the freights of the foreign trade in American ships do not exceed twenty-eight millions of dollars. Were the trade exclusively in American hands, a large part of this difference of forty-seven millions would be due to citizens of the United States, and payable in other countries. This amount would be thus added to our ability to pay for goods imported from those countries. If, for example, an American citizen purchase in New York a thousand barrels of flour for six thousand dollars, and export it to Liverpool in an American vessel, and it is there sold for seven thousand dollars, a bill of exchange may be drawn against the proceeds, and an invoice of goods of the value of seven thousand dollars purchased in England entirely liquidated, although at the custom-house at New York there would be an apparent balance against the country of one thousand dollars. But if, on the other hand, the thousand barrels of flour are

exported in a British vessel, the proceeds of the flour realized in New York, and which can be applied to the payment of goods bought in England, will be only six thousand dollars, and there will remain an actual balance against the country of a thousand dollars. This familiar example shows the importance of re-establishing our commercial supremacy upon the ocean. And I deem it, therefore, essential to our prosperity that the shipping interest of the country be fostered, not only as a nursery for seamen, but also as an essential agency in enabling the government to institute and maintain specie payments. It is an interest also, which, in its development, is as important to the States and people remote from the seacoast as it is to the maritime sections. Every addition to our facilities for the export of the products of the interior is as advantageous to the producers as to the merchants and ship-builders of the coast.

While I do not anticipate that it will be necessary to delay resumption until our proper commercial position is regained, I am satisfied that the development of the navigation and ship-building interests will improve the credit and rapidly augment the wealth of the country. The suggestions that I have made indicate my opinion that it will not be wise to resume specie payments while so large a part of the interest-bearing debt of the country is represented by five-twenty bonds and held by European merchants, bankers, and manufacturers. Questions that have been raised in regard to the nature of the obligation assumed by the government in the issue of these bonds have undoubtedly deterred many persons from purchasing them as a permanent investment, and, consequently, they are largely held in this country and in Europe for speculative purposes, by persons who design to put them upon the market whenever the advance shall furnish a sufficient inducement, or when political or financial disturbances may create a demand for money for other purposes. It is probable that from seven to nine hundred millions of these bonds are now held in Europe, and, to a considerable extent, by persons who will dispose of them under the influences to which I have referred. Such a panic as existed in Europe in 1866, at the opening of the Austrian and Prussian war, would be likely to induce the return of a sufficient amount to this country for sale to embarrass business, and, in case of resumption, to cause the suspension of the banks. It is, therefore, in my judgment, essential that the larger part of the five-twenty bonds be withdrawn, and that other bonds be substituted in their place, issued upon terms and conditions which admit of no doubt. In fine, the practical question is not merely the resumption of specie payments—as a measure by itself it is not difficult—but the problem is, to resume under such circumstances that the position can be maintained, not only in times of tranquillity, but also in periods of excitement and peril. Our course, it seems to me, is plain. Every measure of the government bearing upon the subject should tend to appreciate the value of our paper currency. It is probable that some decrease in the volume of paper will

ultimately be necessary, and I, therefore, respectfully suggest that the Secretary of the Treasury be clothed with authority to reduce the circulation of United States notes in an amount not exceeding two millions of dollars in any one month. Thus will the country be brought, gradually it may be, and yet without disaster, into a condition when the resumption of specie payments will be easy if not unavoidable.

On the 1st of December, 1869, the principal of the public debt of the United States, not deducting bonds and cash on hand, amounted to \$2,605,286,789 82. Of this amount the sum of \$356,113,258 50 is represented by United States notes not bearing interest. The larger part of this is needed for circulation, but the amount can be reduced from the ordinary revenue of the country if Congress shall consider it expedient to make provision for such reduction. The fractional currency in circulation was \$38,885,564 68, and there is no occasion for any legislation in reference to this item of the public debt. There were outstanding, also, certificates for gold deposited in the treasury to the amount of \$36,862,940. These certificates are redeemable on presentation. These three items amount in the aggregate to \$431,861,763 18, and in making provision for the public debt they are not necessarily to be considered.

Of the loan of January 1, 1861, the sum of \$7,022,000 is outstanding, and payable on the 1st of January, 1871. The loan of 1858, of \$20,000,000, is payable in 1873. The bonds known as ten-forty bonds, amounting to \$194,567,300, are not payable until 1874. The six per cent. bonds, payable in 1881, amount to \$283,677,600. As the bonds known as eighty-ones and ten-forties, amounting in the aggregate to \$478,244,900, are not payable and cannot be paid previous to 1874 and 1881, it is unnecessary to consider them in making provision for a new loan. The five-twenty bonds, amounting in the aggregate to \$1,602,671,100, are either redeemable or will soon become redeemable, and it is to this class of the public debt, and to this class alone, that attention should be directed.

Of this amount the sum of \$75,477,800 has been purchased since March last, and the bonds are now held by the government. Before any measure for funding the five-twenty bonds can be consummated the government will be able to purchase at least \$75,000,000 more. There will then remain, on the 1st of July next, about \$1,450,000,000 of the five-twenty bonds in the hands of the public creditors. Of the entire indebtedness of the United States, only the unimportant sum of \$27,000,000 will be due and payable previous to 1874.

Under these circumstances it does not seem to me to be wise to authorize the funding of the whole amount of the five-twenty bonds, which, as is now anticipated, will be outstanding on the 1st of July next, but that \$250,000,000, at least, should be suffered to remain either for purchase or redemption previous to 1874. Should the sum of \$250,000,000 be left for that purpose, the entire public debt would be in a condition to be

easily redeemed. Between 1874 and 1881 the ten-forty bonds could be paid, and provision also made for the redemption of the bonds which will be payable in the year 1881. It may be wise to reduce the proposed loan to \$1,000,000,000, which would then leave for payment previous to 1881 the sum of about \$670,000,000, or hardly more than \$60,000,000 a year. Assuming that the proposed loan will be for an amount not exceeding \$1,200,000,000, I recommend that it be offered in three classes, of \$400,000,000 each: the first class of \$400,000,000 to be payable in fifteen years, and to be paid in twenty years; the second class of \$400,000,000 to be payable in twenty years, and to be paid in twenty-five years; the third class of \$400,000,000 to be payable in twenty-five years, and to be paid in thirty years.

The essential conditions of the new loan appear to me to be these:

1st. That the principal and interest shall be made payable in coin.

2d. That the bonds known as the five-twenty bonds shall be received in exchange for the new bonds.

3d. That the principal be payable in this country, and the interest payable either in the United States or in Europe, as the subscribers to the loan may desire.

4th. That the rate of interest shall not exceed  $4\frac{1}{2}$  per cent. per annum.

5th. That the subscribers in Europe shall receive their interest at London, Paris, Berlin, or Frankfort, as they may elect.

6th. That the bonds, both principal and interest, shall be free from all taxes, deductions, or abatements of any sort, unless it shall be thought wise to subject citizens of the United States to such tax upon income from the bonds as is imposed by the laws of the United States upon income derived from other money investments.

There are two reasons, and each seems to me to be a controlling reason, why the bonds of the United States should be exempt from State and local taxes. If not so exempt, the amount of the taxes imposed by the local authorities will be added to the interest the government will be required to pay, and thus the nation will be compelled to provide for taxes imposed by the local authorities.

Secondly. Inasmuch as the ability to borrow money may, under some circumstances, be essential to the preservation of the government, the power should not, even in times of peace and prosperity, be qualified by any concession to the States of the right to tax the means by which the national government is maintained. The right to use its lawful powers free of any condition, restriction, or claim of another, is an essential condition of sovereignty, and the national government should never surrender or qualify its power in this particular.

In offering the new loan, citizens and subjects of other governments should receive the strongest assurance that the interest and principal are to be paid in coin, according to the terms of the bonds issued, without any deduction or abatement whatsoever.

In order to avoid the necessity of employing agents for the negotiation of the loan, I respectfully recommend that a liberal commission be

allowed to subscribers, and that those who first subscribe be permitted to select the class of bonds in which their subscriptions respectively shall be made. I further recommend, in connection with the proposed loan, that the banks established under "the act to provide a national currency" be required to substitute the bonds that may be issued under the proposed loan act for those now deposited as security for the redemption of their bills. Should any bank be unwilling to accept the new condition, provision should be made for the surrender of its charter, and authority given for the organization of new banks to supply the deficiency thus created.

An essential condition to the success of the proposed new loan is the continuance of the present revenue system. A chief means by which the holders of the five-twenty bonds can be induced to surrender them and receive a bond upon longer time and at a lower rate of interest, is the certainty furnished by the magnitude of the national revenue that these bonds are soon to be redeemed. We must be prepared to offer them the alternative either of accepting the new bond at a lower rate of interest, or payment of the principal of the existing bonds. When the five-twenty bonds shall have been funded to the amount of \$1,000,000,000 or \$1,200,000,000, the revenues can be reduced materially, and yet sufficient sums be raised to meet the ordinary expenses of the government, to pay the interest on the public debt, and also to pay \$25,000,000 to \$50,000,000 of the principal annually.

Should our success in negotiating a new loan be equal to my expectations, based upon the fact that the ability and disposition of the people of the United States to pay the public debt are sufficient to justify us in assuming that the bonds of the United States will command the highest rates in the markets of the world, we shall then be in a condition to enter upon the work of reducing taxation at the commencement of the next session of Congress.

On the 30th of June, 1868, the amount of outstanding three per cent. certificates and compound-interest notes convertible into three per cent. certificates was \$71,604,890. On the 30th of June, 1869, the amount outstanding was \$54,991,410, showing a reduction of \$16,613,480 in that form of indebtedness.

On the 1st of December, 1869, the amount outstanding was still further reduced to \$49,716,150, showing a total reduction, in seventeen months, of \$21,888,740.

The three per cent. certificates are a substitute, to a considerable extent, for United States notes, being largely held by the banks as a portion of their reserve, and thus indirectly, though not to their full nominal value, they swell the volume of currency.

I recommend that provision be made for the redemption of the three per cent. certificates within a reasonable time; and, as a compensating measure for the reduction in the amount of currency which would thus be caused, that authority be given to grant circulation to banks in the States where the banking capital is less than the share to which they

would be entitled, to an amount not exceeding thirty-five millions of dollars in the aggregate. The redemption of the three per cent. certificates and the additions to the banking capital might be so arranged as not to produce a serious disturbance in the finances or business of the country, while additional banking capital would be supplied to the sections now in need of it, and this without any increase of the volume of circulation.

There are two evils in the present banking system which require remedy by prompt and efficient legislation. The first is the practice on the part of banks of allowing interest upon deposits. The effect of this practice is, that moneys in the hands of individuals which otherwise might be loaned for regular mercantile and other business purposes are diverted into the custody of banks, upon the idea that, if the security is not better, payment can be obtained at a moment's notice. Country banks, and others remote from the large centers of trade, having received money on deposit for which they pay interest, are anxious to transfer such funds to other banks from which they will receive an equal or large rate of interest in return. They are stimulated also by the desire to place their funds where they can be at all times commanded. Thus influenced, large sums are placed on deposit with banks in the cities, especially in the city of New York, which is the great center of trade and finance for the Atlantic coast. In the ordinary course of trade the currency of the country tends rapidly to the cities, and it is unwise to stimulate this tendency by artificial means.

But the evil does not end with the impoverishment of the country. As the banks in the cities may be called upon at any moment to respond to the drafts of their depositors, they decline to make loans representing such funds, upon commercial paper payable on time, but insist upon making *call loans*, as they are termed, with government bonds or other obligations pledged as collateral security. Merchants generally will not borrow money in large sums payable upon demand. The consequence is that the moneys thus accumulated in the city banks are loaned to persons engaged in speculative pursuits. The extent of this evil is seen in the fact that, of the bank loans in the city of New York in October, 1868, \$98,000,000 were upon commercial paper, and \$68,000,000 upon demand, with a pledge of collaterals; and in October, 1869, \$99,000,000 were upon commercial paper, and \$59,000,000 upon demand. In the former year, 41 per cent., and in the latter year, 37 per cent., of the loans made by the New York banks were upon demand.

A further result is seen in the fact that parties borrowing money upon commercial paper for legitimate commercial purposes, pay from three to six per cent. additional interest per annum, as compared with persons who borrow money for speculative purposes. I therefore respectfully recommend that a law be passed prohibiting absolutely the payment of interest by banks upon deposits, and limiting also their loans upon collaterals to an amount not exceeding ten per cent. of their capital.

I am satisfied also that the practice of certifying checks, even when funds are in the bank to the credit of the drawer of the check, is fraught with evil, and that it ought to be entirely prohibited.

The following statement exhibits the receipts and expenditures for the fiscal year ending June 30, 1869:

RECEIPTS.	
Customs.....	\$180,048,426 63
Internal revenue.....	158,356,460 86
Lands.....	4,020,344 34
Direct tax.....	765,685 61
Miscellaneous sources.....	27,752,829 77
Total, exclusive of loans.....	370,943,747 21
EXPENDITURES.	
Civil service and miscellaneous.....	\$56,474,061 53
Pensions and Indians.....	35,519,544 84
War Department.....	78,501,990 61
Navy Department.....	20,000,757 97
Interest on the public debt.....	130,694,242 80
Premium on 7 3-10 United States treasury notes.....	300,000 00
Total, exclusive of loans.....	321,490,597 75
Receipts in excess of expenditures.....	49,453,149 46

The following statement exhibits the receipts and expenditures for the quarter ending September 30, 1869:

RECEIPTS.	
Customs.....	\$52,598,921 86
Internal revenue.....	47,926,352 51
Lands.....	893,864 08
Miscellaneous sources.....	7,412,483 57
Total, exclusive of loans.....	108,831,622 02
EXPENDITURES,	
after deducting the amount of repayments by disburs- ing officers and others:	
Civil service and miscellaneous.....	\$15,102,202 05
Indians and pensions.....	13,547,942 79
War Department.....	13,595,468 05
Navy Department.....	5,782,630 96
Interest on the public debt.....	37,452,270 74
Total, exclusive of loans.....	85,480,514 59
Receipts in excess of expenditures.....	23,351,107 43



The estimated receipts and expenditures for the three remaining quarters of the fiscal year ending June 30, 1870, are as follows:

RECEIPTS.	
Customs .....	\$135,000,000 00
Internal revenue .....	127,000,000 00
Lands .....	4,000,000 00
Miscellaneous sources .....	20,000,000 00
<b>Total</b> .....	<b>286,000,000 00</b>

EXPENDITURES.	
Civil service and miscellaneous .....	\$40,000,000 00
Pensions and Indians .....	21,000,000 00
War Department .....	40,500,000 00
Navy Department .....	14,000,000 00
Interest on the public debt .....	93,750,000 00

**Total** ..... 209,250,000 00

**Estimated receipts in excess of expenditures...** 76,750,000 00

Estimated receipts and expenditures, based upon existing laws, for the fiscal year ending June 30, 1871:

RECEIPTS.	
Customs .....	\$185,000,000 00
Internal revenue .....	175,000,000 00
Lands .....	5,000,000 00
Miscellaneous sources .....	28,000,000 00
<b>Total</b> .....	<b>393,000,000 00</b>

EXPENDITURES.	
Civil service and miscellaneous .....	\$60,000,000 00
Pensions and Indians .....	36,000,000 00
War Department .....	50,000,000 00
Navy Department .....	18,000,000 00
Interest on the public debt .....	127,000,000 00

**Total** ..... 291,000,000 00

**Estimated receipts in excess of expenditures ..** 102,000,000 00

The foregoing estimates of receipts are made upon the assumption that the laws now in force relating to customs and internal revenue will not be so changed as to materially affect the revenues, and the estimates of expenditures are based upon the expectation that no extraordinary appropriations will be made.

GEO. S. BOUTWELL,  
*Secretary of the Treasury.*

Hon. JAMES G. BLAINE,  
*Speaker of the House of Representatives.*

*Statement of the indebtedness of***Acts authorizing loans, and synopses of same.**

Acts of July 21, 1841, and April 15, 1842.	Authorized a loan of \$12,000,000, bearing interest at a rate not exceeding 6 per cent. per annum, and reimbursable at the will of the Secretary, after six months' notice, or at any time after three years from January 1, 1842. The act of April 15, 1842, authorized the loan of an additional sum of \$5,000,000, and made the amount obtained on the loan after the passage of this act reimbursable after six months' notice, or at any time not exceeding twenty years from January 1, 1843. This loan was made for the purpose of redeeming outstanding treasury notes, and to defray any of the public expenses.
Act of Jan. 28, 1847...	Authorized the issue of \$23,000,000 in treasury notes, bearing interest at a rate not exceeding 6 per cent. per annum, with authority to borrow any portion of the amount, and issue bonds therefor, bearing interest at a rate not exceeding 6 per cent., and redeemable after December 31, 1867. The 13th section authorized the funding of these notes into bonds of the same description. The act limited the amount to be borrowed or issued in treasury notes and funded as aforesaid to \$23,000,000, but authorized the funding of treasury notes issued under former acts beyond that amount. The excess of the \$23,000,000 is made up of treasury notes funded under the 14th section.
Act of March 31, 1848.	Authorized a loan of \$16,000,000, bearing interest at a rate not exceeding 6 per cent. per annum, and reimbursable at any time after twenty years from July 1, 1848. Authority was given the Secretary to purchase the stock at any time.
Act of Sept. 9, 1850...	Authorized the issue of \$10,000,000 in bonds, bearing 5 per cent. interest, and redeemable at the end of fourteen years, to indemnify the State of Texas for her relinquishment of all claims upon the United States for liability of the debts of Texas, and for compensation for the surrender to the United States of her ships, forts, arsenals, custom-houses, &c., which became the property of the United States at the time of annexation.
Old funded and unfunded debts.	Consisting of unclaimed dividends upon stocks issued before the year 1800, and those issued during the war of 1812.
Acts prior to 1857...	Different issues of treasury notes.
Act of Dec. 23, 1857...	Authorized an issue of \$30,000,000 in treasury notes, bearing interest at a rate not exceeding 6 per cent. per annum, and receivable in payment of all public dues, and to be redeemed after the expiration of one year from date of said notes.
Act of June 14, 1858...	Authorized a loan of \$30,000,000, bearing interest at a rate not exceeding 5 per cent. per annum, and reimbursable at the option of the government at any time after the expiration of fifteen years from January 1, 1859.
Act of June 22, 1860...	Authorized a loan of \$21,000,000, bearing interest at a rate not exceeding 6 per cent. per annum, and reimbursable within a period not beyond twenty years, and not less than ten years, for the redemption of outstanding treasury notes, and for no other purpose.
Act of Dec. 17, 1860...	Authorized an issue of \$10,000,000 in treasury notes, to be redeemed after the expiration of one year from the date of issue, and bearing such a rate of interest as may be offered by the lowest bidders. Authority was given to issue these notes in payment of warrants in favor of public creditors, at their par value, bearing 6 per cent. interest per annum.
Act of Feb. 8, 1861...	Authorized a loan of \$25,000,000, bearing interest at a rate not exceeding 6 per cent. per annum, and reimbursable within a period not beyond twenty years, nor less than ten years. This loan was made for the payment of the current expenses, and was to be awarded to the most favorable bidders.
Act of March 2, 1861.	Authorized a loan of \$10,000,000, bearing interest at a rate not exceeding 6 per cent. per annum, and reimbursable after the expiration of ten years from July 1, 1861. In case proposals for the loan were not acceptable, authority was given to issue the whole amount in treasury notes bearing interest at a rate not exceeding six per cent. per annum. Authority was also given to substitute treasury notes for the whole or any part of the loans, for which the Secretary was by law authorized to contract and issue bonds at the time of the passage of this act, and such treasury notes were to be made receivable in payment of all public dues, and redeemable at any time within two years from March 2, 1861.
Act of March 2, 1861.	Authorized an issue, should the Secretary of the Treasury deem it expedient, of \$2,800,000 in coupon bonds, bearing interest at the rate of 6 per cent. per annum, and redeemable in twenty years, for the payment of expenses incurred by the Territories of Washington and Oregon in the suppression of Indian hostilities during the years 1853 and 1856.
Acts of July 17, 1861, and August 5, 1861.	Authorized a loan of \$250,000,000, for which could be issued bonds bearing interest at a rate not exceeding 7 per cent. per annum, irredeemable for twenty years, and after that redeemable at the pleasure of the United States; treasury notes bearing interest at the rate of 7.30 per cent. per annum, payable three years after date, and United States notes without interest, payable on demand, to the extent of \$51,000,000, (increased by act of February 12, 1862, to \$67,000,000.) to bonds and treasury notes to be issued in such proportions of each as the Secretary may deem advisable. The supplementary act of August 5, 1861, authorized an issue of bonds bearing 6 per cent. interest

*the United States, June 30, 1869.*

Title.	Length of loan.	When redeemable.	Rate of interest.	Price of emission.	Amount authorized.	Amount issued.	Amount outstanding.
Loan of 1842. . .	20 years	After Dec. 31, 1862.	6 per ct. per annum.	Par..	\$17,000,000	\$8,000,000	\$6,000 00
Loan of 1847. . .	20 years	After Dec. 31, 1867.	6 per cent. per annum.	Par..	23,000,000	28,207,000	26,150 00
Loan of 1848. . .	20 years	After July 1, 1868.	6 per cent. per annum.	Par..	16,000,000	16,000,000	60,850 00
Texas indemnity	15 years	After Dec. 31, 1864.	5 per cent. per annum.	Par..	10,000,000	5,000,000	242,000 00
Old funded debt	Demand.	On demand . . . .	5 and 6 per ct.	Par..	.....	.....	113,915 48
Treasury notes	.....	On demand . . . .	1 m. to 6 p. ct.	Par..	.....	.....	104,511 64
Treasury notes	1 year..	1 year after date	5 to 5½ per ct.	Par..	20,000,000	.....	2,400 00
Loan of 1838. . .	15 years	Dec. 31, 1873. . . .	5 per cent. per annum.	Par..	20,000,000	20,000,000	20,000,000 00
Loan of 1860. . .	10 years	After Dec. 31, 1870.	5 per cent. per annum.	Par..	21,000,000	7,022,000	7,022,000 00
Treasury notes.	1 year..	1 year after date	6 and 12 per ct. per annum.	Par..	10,000,000	10,000,000	.....
Loan of Feb. 8, 1861.	10 or 20 years.	After June 1, 1871.	6 per cent. per annum.	Par..	25,000,000	18,415,000	18,415,000 00
Treasury notes {	2 years.	2 years after date.	.....	.....	22,468,100	22,468,100	} 3,300 00
	60 days	60 days after date.	6 per cent. per annum.	Par..	12,896,350	12,896,350	
Oregon war. . . .	20 years	After July 1, '81	6 per cent. per annum.	Par..	2,800,000	1,090,850	945,000 00
20-year sixes. . . .	20 years	After June 30, '81	6 per ct. p. an.	Par..	.....	50,000,000	50,000,000 00
7.30 notes . . . . .	{ 3 }	After Aug. 18, '64	7.30 per ct. p.	Par..	.....	139,999,750	139,317,500 00
(two issues.)	{ yrs. }	After Sept. 30, '64	annum.	.....	.....	.....	.....
Demand notes. . . .	Payable on demand.	Demand. . . . .	None . . . . .	.....	.....	60,000,000	123,739 25

*Statement of the indebtedness of*

## Acts authorizing loans, and synopses of same.

Acts of July 17, 1861, and August 5, 1861 —Continued.	per annum, and payable at the pleasure of the United States after twenty years from date, which may be issued in exchange for 7.30 treasury notes, but no such bonds to be issued for a less sum than \$500; and the whole amount of such bonds not to exceed the whole amount of 7.30 treasury notes issued.
Act of Feb. 25, 1862...	Authorized the issue of \$500,000,000 in 6 per cent. bonds, redeemable after five years, and payable twenty years from date, which may be exchanged for United States notes. Also, Authorized the issue of not over \$11,000,000 additional of similar bonds, to meet subscriptions already made and paid for.
June 30, 1864..... } January 28, 1865..... } Act of Feb. 25, 1862.. }	On hand unsold in the United States or Europe.
Act of July 11, 1862..	Authorized the issue of \$150,000,000 in legal-tender U. S. notes, \$50,000,000 of which to be in lieu of demand notes issued under act of July 17, 1861. Authorized an additional issue of \$150,000,000 legal-tender notes, \$35,000,000 of which might be in denominations less than five dollars; \$50,000,000 of this issue to be reserved to pay temporary loans promptly in case of emergency.
Resolution of Con- gress, January 17, 1863.	Authorized the issue of \$100,000,000 in United States notes for the immediate payment of the army and navy, such notes to be a part of the amount provided for in any bill that may hereafter be passed by this Congress. (The amount in this resolution is included in act of March 3, 1863.)
Act of March 3, 1863.	A further issue of \$150,000,000 in United States notes, for the purpose of converting the treasury notes which may be issued under this act, and for no other purpose. And a further issue, if necessary, for the payment of the army and navy, and other creditors of the government, of \$150,000,000 in United States notes, which amount includes the \$100,000,000 authorized by the joint resolution of Congress, January 17, 1863.
Act of April 12, 1866..	Provided, That of the United States notes, not more than ten millions of dollars may be retired and canceled within six months from the passage of this act, and thereafter not more than four millions of dollars in any one month: And provided further, That the act to which this is an amendment shall continue in full force in all its provisions, except as modified by this act.
Act of Feb. 25, 1862...	Authorized a temporary loan of \$25,000,000 in United States notes, for not less than thirty days, payable after ten days' notice, at 5 per cent. interest per annum. (This was increased to \$100,000,000 by the following acts.)
March 17, 1862.....	Authorized an increase of temporary loans of \$25,000,000, bearing interest at a rate not exceeding 5 per cent. per annum.
July 11, 1862.....	Authorized a further increase of temporary loans of \$50,000,000, making the whole amount authorized \$100,000,000.
Act of June 30, 1864..	Authorized the increase of temporary loans to not exceeding \$150,000,000, at a rate not exceeding 6 per cent.
Act of March 3, 1863.	Authorized a loan of \$300,000,000 for this, and \$800,000,000 for the next fiscal year, for which could be issued bonds running not less than ten nor more than forty years, principal and interest payable in coin, bearing interest at a rate not exceeding 6 per cent. per annum, payable in bonds not exceeding \$100 annually, and on all others semi-annually, the whole amount of bonds, treasury notes, and United States notes, issued under this act, not to exceed the sum of \$800,000,000. And so much of this act as limits the loan to the current fiscal year is repealed by act of June 30, 1864, which also repeals the authority to borrow money conferred by section 1, except so far as it may affect \$75,000,000 of bonds already advertised.
Act of March 3, 1863..	And treasury notes to the amount of \$460,000,000, not exceeding three years to run, with interest at not over 6 per cent. per annum, principal and interest payable in lawful money, which may be made a legal-tender for their face value, excluding interest or convertible into United States notes. Secretary may receive gold on deposit and issue certificates therefor, in sums not less than twenty dollars.
Act of March 3, 1864..	Authorizes the issue of bonds not exceeding \$900,000,000, bearing date March 1, 1864, or any subsequent period, redeemable at the pleasure of the government after any period not less than five years, and payable at any period not more than forty years from date, in coin, bearing interest not exceeding 6 per cent. yearly, payable on bonds not over one hundred dollars annually, and on all other bonds semi-annually, in coin.
Act of March 1, 1862..	Authorized an issue of certificates of indebtedness, payable one year from date, in settlement of audited claims against the government. Interest 6 per cent. per annum, payable in coin; and by
Act of March 3, 1863..	Payable in lawful currency on those issued after that date. Amount of issue not specified.
Act of July 17, 1862..	Authorized an issue of notes of the fractional parts of one dollar, receivable in payment of all dues, except customs, less than five dollars, and exchangeable for United States notes in sums not less than five dollars. Amount of issue not specified.
Act of March 3, 1863..	Authorized an issue not exceeding \$50,000,000 in fractional currency, (in lieu of postage or other stamps,) exchangeable for United States notes in sums not less than three dollars, and receivable for any dues to the United States less

*the United States, &c.—Continued.*

Title.	Length of loan.	When redeemable.	Rate of interest.	Price of emission.	Amount authorized.	Amount issued.	Amount outstanding.
20-year aires...	20 years	After June 30, 1881.	6 per cent per annum.	Par..	Exchange'ble for 7.30 notes.		\$34,900 00
Five-twenties..	5 or 20 years.	After April 30, 1887.	6 per cent....	Par..	\$515,000,000	\$514,771,000	514,771,000 00
United States notes, new issue.			None.....	Par..	450,000,000		358,000,000 00
Temp'y loan.	Not less than 30 days.	After 10 days' notice.	4, 5, and 6 per cent.	Par..	150,000,000		186,310 00
Loan of 1863		After June 30, 1881.	6 per cent....	Pre'm 4.13 p. cent.	75,000,000	75,000,000	75,000,000 00
Treasury notes.	2 years 1 year.	3 years after date 1 year after date	5 per cent.... 5 per cent....	Par..	400,000,000	211,000,000	347,772 00
Gold certificates		On demand			Not specified		30,489,640 00
Two-forties...	10 or 40 years.	After Feb. 28, 1874	5 per cent....	Par..	200,000,000	196,117,300	194,567,300 00
Five-twenties..	5 or 20 years.	After Oct. 31, 1880.	6 per cent....	Par..			3,882,500 00
Certificates of indebtedness.	1 year..	1 year after date	6 per cent....	Par..	Not specified		12,000 00
Postal currency					Not specified		4,605,708 52

*Statement of the indebtedness of**Acts authorizing loans, and synopses of same.*

Act of March 3, 1863— Continued.	than five dollars, except duties on imports. The whole amount issued, including postage and other stamps issued as currency, not to exceed \$50,000,000. Authority was given to prepare it in the Treasury Department, under the supervision of the Secretary.
Act of June 30, 1864.	Authorized issue in lieu of the issue under acts of July 17, 1862, and March 3, 1863, the whole amount outstanding under all these acts not to exceed \$50,000,000.
Act of June 30, 1864.	Authorized the issue of \$400,000,000 of bonds redeemable at the pleasure of the government after any period not less than five nor more than thirty years, or, if deemed expedient, made payable at any period not more than forty years from date. And said bonds shall bear an annual interest not exceeding six per centum, payable semi-annually in coin. And the Secretary of the Treasury may dispose of such bonds, or any part thereof, and of any bonds commonly known as five-twenties, remaining unsold, on such terms as he may deem most advisable, for lawful money of the United States, or, at his discretion, for treasury notes, certificates of indebtedness, or certificates of deposit, issued under any act of Congress.
Act of March 3, 1863.	Authorizes an issue of treasury notes, not exceeding three years to run, interest at not over six per cent. per annum, principal and interest payable in lawful money.
Act of June 30, 1864.	Also authorizes the issue of and in lieu of an equal amount of bonds authorized by the first section, and as a part of said loan, not exceeding \$50,000,000 in treasury notes of any denomination not less than \$10, payable at any time not exceeding three years from date, or, if thought more expedient, redeemable at any time after three years from date, and bearing interest not exceeding the rate of 7-10 per annum, payable in lawful money at maturity, or, at the discretion of the Secretary, semi-annually; and such of them as shall be made payable, principal and interest, at maturity, shall be a legal tender to the same extent as United States notes, for their face value, excluding interest, and may be paid to any creditor of the United States, at their face value, excluding interest, or to any creditor willing to receive them at par, including interest; and any treasury notes issued under the authority of this act may be made convertible, at the discretion of the Secretary of the Treasury, into any bonds issued under the authority of this act, and the Secretary may redeem and cause to be cancelled and destroyed any treasury notes or United States notes heretofore issued under authority of previous acts of Congress, and substitute in lieu thereof an equal amount of treasury notes, such as are authorized by this act, or of other United States notes; nor shall any treasury note bearing interest issued under this act be a legal tender in payment or redemption of any notes issued by any bank, banking association, or banker, calculated or intended to circulate as money.
Act of Jan. 28, 1865.	Whole amount may be issued in bonds, or treasury notes, at the discretion of the Secretary.
Act of March 3, 1865.	Authorized an issue of \$600,000,000 in bonds or treasury notes; bonds may be made payable at any period not more than forty years from the date of issue, or may be made redeemable at the pleasure of the government, at or after any period not less than five years nor more than forty years from date, or may be made redeemable and payable as aforesaid, as may be expressed upon their face, and so much thereof as may be issued in treasury notes may be made convertible into any bonds authorized by this act, and be of such denominations not less than fifty dollars, and bear such dates, and be made redeemable or payable at such periods as the Secretary of the Treasury may deem expedient. The interest on the bonds payable semi-annually, or annually, or at maturity thereof; and the principal or interest, or both, be made payable in coin or other lawful money; if in coin, not to exceed 6 per cent. per annum; when not payable in coin, not to exceed 7-10 per cent. per annum. Rate and character to be expressed on bonds or treasury notes.
Act of April 12, 1866, amendment to act of March 3, 1865.	Authorizes the Secretary of the Treasury, at his discretion, to receive any treasury notes or other obligations issued under any act of Congress, whether bearing interest or not, in exchange for any description of bonds authorized by the act to which this is an amendment; and also to dispose of any description of bonds authorized by said act, either in the United States or elsewhere, to such an amount, in such a manner, and at such rates as he may think advisable, for lawful money of the United States, or for any treasury notes, certificates of indebtedness, or certificates of deposit, or other representatives of value, which have been or which may be issued under any act of Congress, the proceeds thereof to be used only for retiring treasury notes or other obligations issued under any act of Congress; but nothing herein contained shall be construed to authorize any increase of the public debt.
Acts of July 1, 1862, and July 3, 1864.	Bonds issued to the Pacific railroad companies in accordance with these acts.
Act of March 2, 1867.	For the purpose of redeeming and retiring any compound interest notes outstanding, the Secretary of the Treasury is authorized and directed to issue temporary loan certificates in the manner prescribed by section four of the

*the United States, &c.—Continued.*

Title.	Length of loan.	When redeem- able.	Rate of in- terest.	Price of emission.	Amount au- thorized.	Amount issued.	Amount out- standing.
Fractional cur- rency.				Par.	\$500,000,000		\$27,508,928 84
Five-twenties	5 or 20 years.	After Oct. 31, 1880.	6 per cent.				183,561,300 00
Treasury notes.	3 years.	3 years after date	6 p. ct. comp. interest.	Par.		\$17,250,000	
Treasury notes.	3 years.	3 years after date	6 p. ct. comp. interest.		Substitute re- deemed 5 per cent. notes.	177,045,770	2,871,410 00
Treasury notes.	3 years.	3 years after date	6 p. ct. comp. interest.			22,728,390	
					400,000,000		
7.30 treasury notes.	3 years.	3 years after Aug. 15, 1864.	7.30 per cent.	Par.		234,400,800	
							1,166,506 00
7.30 treasury notes, three issues.	3 years.	After Aug. 14, '67 After June 14, '68 After July 14, '68	7 3-10 per cent	Par.	600,000,000		
Five-twenties	5 or 20 years.	After Oct. 31, 1870.	6 per cent.	Par.			203,327,250 00
Five-twenties	5 or 20 years.	After June 30, 1870.	6 per cent.	Par.			332,998,950 00
Five-twenties	5 or 20 years.	After June 30, 1872.	6 per cent.	Par.			379,582,850 00
Five-twenties	5 or 20 years.	After June 30, 1873.	6 per cent.	Par.			42,539,350 00
Pacific railroad bonds.	30 years	After Jan. 15, 1895.	6 per cent.	Par.			58,638,320 00

*Statement of the indebtedness of*

## Acts authorizing loans, and synopses of same.

Act of March 3, 1867—  
Continued.

act entitled "An act to authorize the issue of United States notes and for the redemption or funding thereof, and for funding the floating debt of the United States," approved February twenty-fifth, eighteen hundred and sixty-two, bearing interest at a rate not exceeding 3 per centum per annum, principal and interest payable in lawful money on demand; and said certificates of temporary loan may constitute and be held by any national bank holding or owning the same, as a part of the reserve provided for in sections thirty-one and thirty-two of the act entitled "An act to provide a national currency secured by a pledge of United States bonds, and to provide for the circulation and redemption thereof," approved June three, eighteen hundred and sixty-four: *Provided*, That not less than two-fifths of the entire reserve of such bank shall consist of lawful money of the United States: *And provided further*, That the amount of such temporary certificates at any time outstanding shall not exceed fifty millions of dollars.

Act of July 25, 1868...  
Act of July 23, 1868...

Twenty-five millions additional.  
United States moiety of proceeds of prizes.....





## APPENDIX.

*Statement of the receipts and expenditures of the United States for the quarter ending September 30, 1869.*

RECEIPTS.	
Customs .....	\$52,598,921 86
Lands .....	893,864 08
Internal revenue .....	47,926,352 51
Miscellaneous .....	7,412,483 57

Total receipts, exclusive of loans, &c..... 108,831,622 02

LOANS, ETC.	
Six per cent. 20 year bonds, act July 17, 1861.....	\$200 00
United States notes, act February 25, 1862.....	17,662,362 00
Fractional currency, act March 3, 1863.....	4,167,300 00
Certificates of gold coin deposits, act March 3, 1863.....	19,495,020 00
Six per cent. 5-20 year bonds, act March 3, 1865.....	6,100 00
Three per cent. certificates, act March 2, 1867.....	135,000 00
	<u>41,465,962 00</u>

Total receipts..... 150,297,604 02

EXPENDITURES.	
Civil, foreign intercourse, and miscellaneous .....	\$15,102,202 05
Interior, (Pensions and Indians) .....	13,547,942 79
War .....	13,596,468 05
Navy .....	5,782,630 96
Interest on the public debt .....	37,452,270 74
	<u>\$85,480,514 59</u>
Premium on purchase of bonds on account sinking fund.....	1,308,028 03
Premium on purchase of bonds awaiting action Congress.....	6,450,970 92
Sinking fund, interest account.....	212,254 06
Special bond purchase, interest account.....	351,538 76
Purchase of bonds on account of sinking fund.....	7,000,000 00
Special purchase of bonds awaiting action of Congress..	34,000,000 00
	<u>49,322,791 77</u>

Total expenditures, exclusive of principal of public debt..... 134,803,306 36

PRINCIPAL OF PUBLIC DEBT.	
Redemption of bounty-land stock, act February 11, 1847.....	\$100 00
Redemption of United States stock, loan of 1847.....	16,500 00
Redemption of United States stock, loan of 1848.....	21,300 00
Redemption of Texan indemnity stock, act Sept. 9, 1850.....	10,000 00
Redemption of treasury notes, act March 2, 1861.....	350 00
Redemption of 7 $\frac{1}{2}$ 3-year coupon bonds, act July 17, 1861.....	1,050 00
Redemption of treasury notes, act July 17, 1861.....	9,095 75
Redemption of treasury notes, act February 25, 1862.....	17,662,362 00
Reimbursement of temporary loan, act February 25, 1862.....	3,500 00
Redemption of fractional currency, act March 3, 1863.....	3,356,842 90
Redemption of 1 year five per cent. interest-bearing treasury notes, act March 3, 1863.....	15,750 00
Redemption of 2 years five per cent. interest-bearing treasury notes, act of March 3, 1863.....	9,700 00
Redemption of gold certificates, act March 3, 1863.....	27,769,540 00
Redemption of 3 years six per cent. compound interest notes, act March 3, 1863.....	250,640 00
Redemption of 3 years 7 $\frac{1}{2}$ coupon treasury notes, acts of June 30, 1864, and March 3, 1865.....	323,050 00
Redemption of three per cent. certificates of deposit, act March 2, 1867.....	1,710,000 00
	<u>51,159,780 65</u>
	<u>185,963,087 01</u>

JOHN ALLISON, Register.

*Statement of the receipts and expenditures of the United States for the fiscal year ending June 30, 1869, agreeably to warrants issued.*

The receipts into the treasury were as follows:

From customs, viz:	
During the quarter ending September 30, 1868.....	\$49, 676, 594 67
During the quarter ending December 31, 1868.....	36, 960, 462 76
During the quarter ending March 31, 1869.....	49, 389, 534 43
During the quarter ending June 30, 1869.....	44, 021, 834 77
	<u>\$180, 048, 426 63</u>
From sales of public lands, viz:	
During the quarter ending September 30, 1868.....	\$714, 895 03
During the quarter ending December 31, 1868.....	796, 195 03
During the quarter ending March 31, 1869.....	1, 234, 819 75
During the quarter ending June 30, 1869.....	1, 274, 434 53
	<u>4, 020, 344 34</u>
From direct tax, viz:	
During the quarter ending September 30, 1868.....	\$15, 536 02
During the quarter ending December 31, 1868.....	746, 937 06
During the quarter ending March 31, 1869.....	3, 211 93
During the quarter ending June 30, 1869.....	.....
	<u>765, 685 16</u>
From internal revenue, viz:	
During the quarter ending September 30, 1868.....	\$38, 735, 863 08
During the quarter ending December 31, 1868.....	30, 433, 386 59
During the quarter ending March 31, 1869.....	32, 599, 537 48
During the quarter ending June 30, 1869.....	56, 587, 673 71
	<u>158, 356, 460 86</u>
From incidental and miscellaneous sources, viz:	
During the quarter ending September 30, 1868.....	\$6, 249, 979 97
During the quarter ending December 31, 1868.....	7, 832, 219 08
During the quarter ending March 31, 1869.....	5, 706, 954 76
During the quarter ending June 30, 1869.....	7, 963, 675 96
	<u>27, 752, 829 77</u>
Total receipts, exclusive of loans.....	370, 943, 747 21
From loans, &c., viz:	
From six per cent. 20 year bonds, per act July 17, 1861.....	\$12, 150 00
From United States legal tender notes, per act February 25, 1862.....	57, 947, 521 80
From six per cent. 20 year bonds, per act March 3, 1863, (loan of 1861).....	537, 473 94
From fractional currency, per act March 3, 1863.....	23, 709, 131 65
From certificates of gold coin deposits, per act March 3, 1863.....	80, 663, 160 00
From six per cent. 5-20 year bonds, per act June 30, 1864.....	52, 645 75
From five per cent. 10-40 year bonds, per act June 30, 1864.....	2, 114 99
From 7½, 3 year coupon bonds, per acts June 30, 1864, and March 3, 1865.....	300, 932 93
From six per cent. 5-20 year bonds, per act March 3, 1865.....	40, 847, 950 00
From three per cent. certificates, per act March 2, 1867..	34, 605, 000 00
	<u>238, 678, 081 06</u>
Total receipts.....	609, 621, 828 27
Balance in the treasury July 1, 1868.....	\$131, 006, 532 25
From which deduct unavailable balances in hands of sundry depositaries, which amounts have been carried to the debits of said depositaries on the books of the Register, and corresponding amounts to credit of Treasurer.....	170, 023 56
	<u>130, 836, 508 69</u>
Total means.....	<u>740, 458, 336 96</u>

The expenditures of the year were as follows:

Civil:

For Congress, including books.....	\$3,041,938 77
For Executive.....	6,098,818 36
For judiciary.....	2,357,661 94
For governments in the Territories.....	314,625 07
For assistant treasurers and their clerks.....	272,614 27
For surveyors general and their clerks.....	96,596 08
For supervising and local inspectors, &c.....	137,830 45
For officers of the mint and branches, and assay office in New York.....	123,627 13

Total civil list..... \$12,443,712 07

Foreign intercourse:

For salaries of ministers, &c.....	\$312,390 13
For salaries of consuls general, &c.....	405,671 13
For contingent expenses of all missions abroad.....	24,398 77
For contingent expenses of foreign intercourse.....	3,521 77
For salaries of secretaries and assistant secretaries of legation.....	3,733 10
For salaries of interpreters, &c., in China, Japan, Siam, and Smyrna.....	9,716 65
For salaries of marshals of consular courts in China, &c.....	6,876 86
For rent of prisons for American convicts in China, &c.....	8,572 71
For office rent for United States consuls, &c.....	42,536 70
For blank books for United States consuls, &c.....	46,118 72
For bringing home from foreign countries persons charged with crime.....	6,160 47
For rescuing American citizens from shipwreck.....	5,000 00
For relief and protection of American seamen.....	58,147 56
For compensation of commissioner and consuls general at Hayti, Liberia, and Dominica.....	10,909 04
For expenses of carrying into effect habeas corpus act.....	15,500 00
For expenses of carrying out convention relative to Hudson Bay and Agricultural Company.....	9,452 79
For capitalization of Scheldt dues.....	111,168 00
For relief of rescuers of steamship San Francisco.....	7,700 00
For expenses of Department of State for use of Atlantic cable.....	60,000 00
For carrying out convention and compensation of chargé d'affaires at Venezuela.....	7,173 61
For consular receipts.....	11,331 25
For miscellaneous items.....	13,417 21
For carrying into effect treaty with Russia, (purchase of Alaska).....	7,200,000 00
	8,379,466 47

Deduct excess of repayments above expenditures on  
account of "expenses of Universal Exposition at  
Paris"..... 14,049 70

Total foreign intercourse..... 8,365,416 77

Miscellaneous:

For mint establishment.....	827,057 26
For contingent expenses under act for safe keeping of the public revenue.....	158,117 82
For vaults, &c., for United States depositories.....	23,031 55
For paper, plates, special dies, &c., (office of Com- ptroller of currency).....	39,700 01
For survey of the Atlantic and Gulf coasts of United States.....	313,186 36
For survey of the western coast of United States.....	118,322 63
For survey of the Florida reefs and keys.....	2,769 81
For publishing observations made in the survey of the coasts of United States.....	7,039 83
For repairs of steamers used in the coast survey.....	28,000 00
For pay and rations of engineers, &c., employed on steamers engaged in the coast survey.....	9,022 69

For facilitating telegraphic communication between the Atlantic and Pacific coasts.....	\$69,972 32
For mail service performed for the several departments.....	500,000 00
For mail service performed for the two houses of Congress.....	1,100,000 00
For mail transportation overland to California.....	856,196 76
For steamship service between San Francisco and the Sandwich Islands.....	56,250 00
For steamship service between San Francisco and China and Japan.....	416,666 67
For supplying deficiencies in the revenue of the Post Office Department.....	2,524,604 23
For preparing, &c., publishing post route, maps.....	19,969 19
For steamship service between the United States and Brazil.....	125,000 00
For expenses incident to carrying into effect acts authorizing loans.....	1,861,314 11
For detecting and bringing to trial persons engaged in counterfeiting, &c.....	169,500 00
For returns of proceeds of captured and abandoned property.....	21,366 57
For payment of judgments rendered in the Court of Claims.....	450,168 21
For compensation of messengers carrying electoral vote for President and Vice-President of the United States.....	21,375 25
For payment to the State of Maine for lands, &c., (under treaty of Washington).....	113,906 25
For payment to the State of Massachusetts for lands, &c., (under treaty of Washington).....	32,687 50
For expenses of the Smithsonian Institution.....	41,500 00
For disposition of captured and abandoned property..	57,835 12
For Agricultural Department.....	237,779 67
For janitors for the Treasury Department.....	7,097 99
For continuation of the Treasury building.....	464,915 46
For support and maintenance of light-houses, and including building light-houses; for beacon buoys, &c.	1,926,635 54
For building custom-houses and marine hospitals, and including repairs.....	1,043,391 87
For refunding duties under the act extending the warehousing system.....	12,150 62
For debentures or drawbacks, bounties or allowances.	745,774 01
For repayment to importers excess of deposits for unascertained duties.....	2,293,950 59
For debentures and other charges.....	22,926 11
For salary of special examiner of drugs.....	3,000 00
For unclaimed merchandise.....	12,327 55
For proceeds of sales of goods, wares, &c.....	17,201 33
For refunding moneys erroneously covered into the treasury.....	20,669 10
For distributive share of fines, penalties, and forfeitures.....	270,297 22
For furniture, and repairs of the same for public buildings.....	36,794 65
For marine hospital establishment.....	391,974 42
For expenses of collecting the revenue from customs.	5,376,738 13
For revenue cutter service.....	1,204,841 32
For expenses of assessment and collection of internal revenue.....	7,200,114 16
For allowances or drawbacks on articles on which internal duty has been paid.....	725,126 01
For refunding duties erroneously or illegally collected.	364,176 53
For detecting and bringing to trial persons guilty of violating internal revenue laws.....	188,054 17
For surveying the public lands, &c.....	429,495 78
For repayments for lands erroneously sold.....	26,374 67
For rent of surveyors general offices.....	18,773 41
For deposits of individuals for expenses of surveys...	21,865 59

For five per centum to Minnesota.....	\$2,710 79	
For five per centum to Michigan.....	10,552 81	
For five per centum to Oregon.....	1,857 46	
For five per centum to Kansas.....	355 97	
For five per centum to Wisconsin.....	6,190 08	
For five per centum to Nebraska.....	16,881 26	
For two per centum to Illinois.....	1,043 86	
For repairs of public buildings and grounds in Wash- ington.....	1,084,091 80	
For Capitol Extension and dome.....	106,218 65	
For completing the Washington aqueduct.....	52,350 00	
For furniture and repairs for the President's house....	49,990 00	
For lighting the Capitol, President's house, &c., with gas.....	41,990 00	
For compensation of watchmen, public gardener, &c....	58,092 17	
For salaries, &c., of the Metropolitan police.....	193,807 56	
For support and maintenance of convicts transferred from District of Columbia.....	9,998 51	
For support and medical treatment of the insane of . the army, navy, revenue service, and District of Columbia.....	116,000 00	
For suppression of the slave trade.....	13,391 53	
For expenses of packing and distributing public docu- ments.....	8,162 80	
For support of sixty transient paupers.....	11,000 00	
For relief of sundry individuals.....	497,079 95	
For miscellaneous items.....	63,016 96	
For Patent Office.....	502,544 37	
Total miscellaneous.....		\$35,664,932 69
Under the direction of the Interior Department:		
For the Indian Department.....	\$6,927,773 48	
For pensions, military.....	27,968,361 25	
For pensions, naval.....	508,260 53	
For reliefs, (Indian Department).....	115,149 58	
Total for Interior Department.....		35,519,544 84
Under the direction of the War Department:		
For the Pay Department.....	\$17,919,175 79	
For the Commissary Department.....	7,916,795 73	
For the Quartermaster's Department.....	20,436,304 49	
For the Ordnance Department.....	1,259,683 43	
For the Engineer's Department.....	4,457,802 77	
For the Inspector General, (Military Academy).....	127,880 38	
For the Adjutant General.....	459,819 59	
For the Surgeon General.....	373,584 65	
Refunding to States expenses incurred in raising vol- unteers.....	2,315,823 39	
Reimbursing several States for military expenses.....	523,628 73	
Support of Bureau of Refugees, Freedmen, &c.....	2,508,431 81	
Oregon and Washington volunteers in 1856 and 1857..	34,846 67	
Suppressing Indian hostilities in Minnesota in 1862...	106,845 18	
Payment to Colorado for militia in 1864.....	55,238 84	
Bounty under act of 28th July, 1866.....	19,729,350 00	
Horses and other property lost in the military service.	232,364 65	
For the Secretary's office, (army expenditures).....	36,852 53	
For relief of sundry individuals.....	7,561 98	
Total for War Department.....		78,501,990 61
Under the direction of the Navy Department:		
For the Secretary's Bureau, pay of the Navy.....	\$8,525,952 84	
For the Secretary's Bureau, Marine Corps.....	1,191,297 23	
For the Secretary's Bureau, miscellaneous.....	145,624 15	
For the Bureau of Yards and Docks.....	1,267,557 84	
For the Bureau of Equipment and Recruiting.....	1,588,901 74	
For the Bureau of Navigation.....	670,68 29	
For the Bureau of Ordnance.....	476,391 27	
For the Bureau of Construction and Repair.....	3,338,548 37	
For the Bureau of Steam Engineering.....	2,004,495 76	

# REPORT OF THE SECRETARY OF THE TREASURY.

49

For the Bureau of Provisions and Clothing.....	\$551,312 99
For the Bureau of Medicine and Surgery.....	209,825 60
For relief of sundry individuals.....	30,162 89

Total for Navy Department..... \$20,000 757 97

To which add:

Interest on public debt.....	130,694,242 80
Premium on 7 $\frac{1}{2}$ treasury notes, per acts of January 30, 1864, and March 3, 1865.....	300,000 00
Purchase of bonds on account of sinking fund.....	8,690,000 00
Premium on purchase of bonds on account of sinking fund, act February 25, 1862.....	1,374,680 05

Total expenditures exclusive of principal on the public debt... 331,555,277 80

Principal of the public debt:

Reimbursement of treasury notes issued prior to July 22, 1846.....	\$150 00
Redemption of United States stock loan of 1847.....	764,750 00
Redemption of United States stock loan of 1848.....	7,666,891 80
Redemption of United States Texan indemnity stock, act September 9, 1850.....	4,000 00
Payment of treasury notes, per act December 23, 1857..	100 00
Redemption of treasury notes, per act of July 17, 1861.	20,472 75
Redemption of 7 $\frac{1}{2}$ 3-years coupon bonds, per act July 17, 1861.....	11,500 00
Reimbursement of temporary loan, per acts of February 25 and March 17, 1862.....	604,171 00
Redemption of United States certificates of indebtedness, per acts of March 1 and 17, 1862.....	124,000 00
Redemption of treasury notes, per act of February 25, 1862.....	579,458 50
Redemption of postage and other stamps, per act of July 17, 1862.....	203,019 77
Redemption of 2-years five per cent. treasury notes, per act of March 3, 1863.....	215,000 00
Redemption of fractional currency, per act of March 3, 1863.....	26,165,122 99
Redemption of 3-years six per cent. compound interest notes, per act of March 3, 1863.....	25,361,480 00
Redemption of gold certificates, per act of March 3, 1863.....	65,255,620 00
Redemption of 1-year five per cent. treasury notes, act of March 3, 1863.....	9,290 00
Redemption of 7 $\frac{1}{2}$ 3-year coupon treasury notes, per acts of June 30, 1864, and March 3, 1865.....	36,391,300 00
Redemption of three per cent. certificates of deposit, per act of March 2, 1867.....	32,480,000 00

Total principal of public debt..... 253,222,718 31

Balance in the Treasury on July 1, 1869, agreeably to warrants..... 584,777,996 11  
155,680,340 85

740,458,336 96

JOHN ALLISON, *Register*.

TREASURY DEPARTMENT,  
*Register's Office, November 9, 1869.*

## P A P E R S

ACCOMPANYING

### REPORT OF THE SECRETARY OF THE TREASURY.

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### REPORT OF THE COMMISSIONER OF INTERNAL REVENUE.

TREASURY DEPARTMENT,  
OFFICE OF INTERNAL REVENUE,  
*Washington, November 20, 1869.*

SIR: I have the honor to transmit herewith the tabular statements made up from the accounts kept in this office, which the Secretary of the Treasury is required to lay before Congress.

They are as follows:

Table A, showing the receipts from each specific source of revenue, and the amounts refunded in each collection district, State, and Territory of the United States, for the fiscal year ending June 30, 1869.

Table B, showing the number and value of internal revenue stamps ordered monthly by the Commissioner, and monthly receipts from purchasers of internal revenue stamps, the commissions allowed on the same, and receipts from agents for the sale of stamps, for the fiscal year ending June 30, 1869.

Table C, showing the territorial distribution of internal revenue from various sources in the United States.

Table D, showing the total collections from each specific source of revenue for the fiscal years ending June 30, 1863, 1864, 1865, 1866, 1867, 1868, and 1869, respectively.

Table E, showing the ratio of receipts from specific sources to the aggregate of all collections for the fiscal years ending June 30, 1864, 1865, 1866, 1867, 1868, and 1869, respectively.

Table F, abstract of reports of district attorneys concerning suits and prosecutions under the internal revenue laws.

The total receipts from internal revenue sources, exclusive of the direct tax upon lands and the duty upon the circulation and deposits of national banks, were, for the fiscal year 1869, \$160,039,344 29.

This includes the sums refunded for taxes illegally assessed and collected, amounting to \$360,235 12, nearly all of which was for taxes assessed and collected in previous years.

For the fiscal year 1868 there were refunded \$1,018,334 81.

Drawbacks were also allowed to the amount of \$1,379,980 01.

No drawbacks were allowed during the fiscal year 1869 by this bureau, excepting on general merchandise, under section 171 of the act of June 30, 1864, limited under the act of March 31, 1868, to ale and patent medicines, amounting to \$377,411 31. The drawback on rum and alcohol is not allowed by this bureau.

The receipts for the current year are estimated at \$175,000,000.



### RECEIPTS FOR THE FIRST SIX MONTHS OF THE FISCAL YEARS 1868 AND 1869 COMPARED.

A comparative statement is submitted, showing the total receipts from the same general sources of taxation for the first six months of the fiscal years 1868 and 1869:

From July to December, 1868, inclusive.....	\$67, 296, 388
From July to December, 1867, inclusive.....	66, 110, 030
Total gain for first six months of 1869.....	1, 186, 358

The following table exhibits the loss and gain on the several articles subject to taxation during the same periods, and explains the sources from which the gain was made:

*Comparative table showing the aggregate receipts from the same general sources of revenue, taxable under existing laws, for the first six months of the fiscal years ending June 30, 1868 and 1869; also, the gain or loss, and gain or loss per cent., of those in the latter over those in the former period.*

Sources of revenue.	Receipts for the first six months of the fiscal year—		Gain.	Loss.	Gain per cent.	Loss per cent.
	1868.	1869.				
Spirits.....	\$9, 537, 940	\$19, 124, 462	\$9, 586, 522		100	
Tobacco.....	10, 059, 456	9, 991, 224		\$68, 232		$\frac{1}{2}$
Fermented liquors.....	3, 035, 475	3, 088, 311	52, 836		2	
Gross receipts.....	3, 246, 639	3, 216, 675		29, 964		1
Sales.....	2, 264, 589	3, 930, 693	1, 666, 104		73	
Income, including salaries.....	21, 801, 114	13, 053, 615		8, 747, 499		40
Banks and bankers.....	1, 494, 376	1, 339, 065		155, 311		10
Special taxes not elsewhere enumerated.....	5, 109, 985	3, 674, 366		1, 435, 619		28
Legacies.....	653, 624	546, 220		107, 404		16
Successions.....	511, 577	484, 054		27, 523		5
Articles in Schedule A.....	576, 394	341, 628		234, 766		41
Passports.....	20, 365	13, 040		7, 325		36
Gas.....	773, 878	853, 116	79, 238		10	
Penalties.....	484, 271	491, 227	6, 956		1	
Net receipts from stamps.....	6, 540, 327	7, 148, 692	608, 365		9	
Total.....	66, 110, 030	67, 296, 388	12, 000, 021	10, 813, 663		

Total gain for the above period \$1,186,358, or  $1\frac{2}{10}$  per cent.

During this period, the amount gained on spirits is.....	\$9, 586, 522
The amount gained on stamps is.....	608, 365
The amount gained on sales is.....	1, 666, 104
The greatest loss from any one source of taxation for this period was upon incomes, which amounts to.....	8, 747, 499
In special taxes, not included under spirits, tobacco, &c., the loss was.....	1, 435, 619

It is worthy of special notice that in regard to the receipts from tobacco since January 1, 1869, and hereafter referred to as being largely increased, the loss of revenue on this article for the preceding six months amounted to \$68,232; and it should be borne in mind, in considering this loss, that the present system of collecting the tax on tobacco had not gone into full operation prior to January 1, 1869.

### RECEIPTS FOR THE LAST SIX MONTHS OF THE FISCAL YEARS 1868 AND 1869 COMPARED.

A comparative statement is submitted, showing the total receipts from

the same sources for the last six months of the fiscal years 1868 and 1869:

From January to June, 1869, inclusive ..... \$90,542,760  
 From January to June, 1868, inclusive..... 64,479,948

Total gain of last six months of 1869 over 1868..... 26,062,812

The following table exhibits the loss and gain on the several articles subject to taxation, and explains in detail the sources from which the gain was made during this period:

*Comparative table showing the aggregate receipts from the same general sources of revenue taxable under existing laws, for the last six months of the fiscal years ending June 30, 1868 and 1869; also the gain or loss, and gain or loss per cent., of those in the latter over those in the former period.*

Sources of revenue.	Receipts for the last six months of fiscal year—		Gain.	Loss.	Gain per cent.	Loss per cent.
	1868.	1869.				
Spirits .....	\$9,117,691	\$25,901,940	\$16,784,249	.....	184	.....
Tobacco .....	8,670,639	13,439,483	4,768,844	.....	55	.....
Fermented liquors .....	2,920,394	3,011,568	91,174	.....	3	.....
Gross receipts .....	3,030,507	3,084,324	53,817	.....	2	.....
Sales .....	2,331,089	4,276,146	1,945,057	.....	83	.....
Income, including salaries .....	19,654,484	21,738,241	2,083,757	.....	11	.....
Banks and bankers .....	1,862,753	1,996,451	133,698	.....	7	.....
Special taxes not elsewhere enumerated .....	5,289,180	5,127,089	.....	\$169,091	.....	3
Legacies .....	864,764	698,617	.....	166,147	.....	19
Successions .....	793,447	705,702	.....	87,745	.....	11
Articles in Schedule A .....	529,985	541,223	11,248	.....	2	.....
Passports .....	7,915	16,413	8,498	.....	107	.....
Gas .....	1,128,303	1,262,890	134,687	.....	12	.....
Penalties .....	772,611	385,682	.....	386,929	.....	50
Net receipts from stamps .....	7,506,286	8,356,801	850,515	.....	11	.....
Total .....	64,479,948	90,542,760	26,062,812	802,732	.....	.....

Total gain for the above period \$26,062,812, or 40 per cent.

It will be observed that the gain on distilled spirits during

this period of comparison is..... \$16,784,249  
 On tobacco..... 4,768,844  
 On fermented liquors..... 91,174  
 On incomes..... 2,083,757  
 On stamps..... 850,515  
 From gas companies..... 134,687  
 From banks and bankers..... 133,698

The only articles on which a loss was sustained are legacies, successions, and penalties—special taxes not included under spirits, &c.—and these aggregate only \$802,732.

#### RECEIPTS FROM THE SAME GENERAL SOURCES FOR THE SIX MONTHS ENDING SEPTEMBER 30, 1868 AND 1869.

From April to September, 1869, inclusive..... \$102,861,950  
 Twenty-six districts for this period, not yet returned, estimated at..... 1,516,000

Total amount for this period..... \$104,377,950  
 From April to September, 1868, inclusive..... 80,543,082

Total gain of last period..... 23,834,868

The following table exhibits the loss and gain on the several articles subject to taxation during the same period, and explains the sources from which the gain was made:

*Comparative statement showing the aggregate receipts from the several general sources of revenue subject to tax under the laws now in force, for the six months ending September 30, 1868 and 1869; also the gain or loss of those in the latter over those in the former period.*

Sources of revenue.	Receipts for the six months ending September 30—		Gain.	Loss.
	1868.	1869.		
Spirits.....	\$13,686,801	\$24,687,532	\$11,001,151	
Tobacco.....	8,900,722	15,509,232	6,608,530	
Fermented liquors.....	3,571,643	3,560,966		\$10,677
Gross receipts.....	3,016,317	3,236,832	220,515	
Sales.....	2,927,499	4,029,101	1,101,601	
Income, including salaries.....	27,466,162	30,239,073	2,772,911	
Banks and bankers.....	2,193,061	2,321,094	327,433	
Special taxes not elsewhere enumerated.....	7,787,809	7,858,538	70,729	
Legacies.....	674,068	653,385		10,683
Successions.....	652,188	505,412		86,776
Articles in Schedule A.....	811,827	813,253	1,426	
Passports.....	12,945	11,596		1,349
Gas.....	875,523	896,498	20,975	
Penalties.....	745,894	344,116		401,778
Net receipts from stamps.....	7,220,023	7,924,883	704,860	
Total.....	80,543,022	102,861,950	22,830,131	511,263

The aggregate receipts for the present year will be increased by the returns from twenty-six districts, amounting, it is estimated, to \$1,516,000. Total gain, not including the receipts from those districts, \$22,318,868. If the receipts from the unreported districts equal the above estimate the total gain will be \$23,834,868, or 29½ per cent.

During this period the gain on spirits is.....	\$11,001,151
On tobacco.....	6,608,530
On sales.....	1,101,601
On incomes.....	2,772,911
On stamps.....	704,860
From banks and bankers.....	327,433

The gain on spirits, during this six months of comparison, is not so large by nearly six millions as it was for the six months ending 30th of June last. This is accounted for by the circumstance that the old spirits in bonded warehouse on the 30th of August, 1868, when the new law went into effect, were all by operation of law to be withdrawn from bond and tax to be paid prior to July 1, 1869. It is a fact, however, that the gain on tobacco, for this period of comparison, exceeds that for the six months ending June 30, 1869, by \$2,000,000; showing a steady and continuous increase of revenue from this source. The gains on stamps, incomes, and sales correspond very nearly with the gains on these articles for the six months of comparison, ending June 30, 1869.

It is to be remembered in referring to the foregoing comparative tables, that they do not profess to give the gross receipts of revenue for the periods of comparison, but the receipts from the same general sources merely. The reason is that alterations in the law changed the subjects of taxation during the periods of comparison, and hence a statement of the gross receipts would not exhibit the relative and economical increase and decrease of the revenue. Referring to the gains on spirits and tobacco for these periods, it seems proper to say that there is every cause for congratulation that the law of July 20, 1868, taxing these articles, was enacted.

**RECEIPTS FROM THE SAME GENERAL SOURCES, FOR THE FIRST  
QUARTERS OF THE FISCAL YEARS 1869 AND 1870, COMPARED.**

The following statement of the receipts from the several general sources of revenue for the first quarter of the present and last fiscal years includes the returns of twenty out of the twenty-six districts not given in the table immediately preceding, and received since the preparation of that table. The receipts of the following districts only are, therefore, not included in the receipts for the year 1870: Third Mississippi and ninth Kentucky, for the month of July; third Mississippi, for August; eleventh New York, sixth Tennessee, and fourth Texas, for September.

Sources of revenue.	Receipts for first quarter of fiscal years—	
	1869.	1870.
Spirits .....	\$2,465,443	\$10,017,031
Tobacco .....	4,295,674	8,131,298
Fermented liquors .....	1,790,602	1,739,609
Banks and bankers .....	886,078	1,240,986
Gross receipts .....	1,514,756	1,727,206
Sales .....	1,739,513	1,901,829
Special taxes not elsewhere enumerated .....	2,969,427	3,244,624
Income, including salaries .....	11,201,609	13,278,504
Legacies .....	278,590	340,301
Successions .....	254,065	265,227
Articles in Schedule A .....	300,843	317,924
Passports .....	8,665	2,583
Gas .....	341,128	400,577
Sources not otherwise herein specially enumerated. (Articles now exempt from taxation) .....	874,431	126,322
Net receipts from stamps .....	3,393,472	3,683,078
Penalties .....	306,402	156,111
Total .....	38,620,898	46,641,415

Total gain, \$8,020,517, or 20.8 per cent.

It will be seen that the gain on tobacco during this period of comparison is increased, and that on stamps is sustained, while that on spirits is fully sustained, if allowance be made for the fact that the old spirits in bond had all been withdrawn and the tax paid before this period commenced. The gain on tax of banks and bankers is likewise more than sustained by this comparison, and the entire table affords ample promise of satisfactory future results.

**AGGREGATE RECEIPTS FOR THE FIRST FIVE MONTHS OF THE FISCAL  
YEARS 1869 AND 1870 COMPARED.**

The following is a statement showing the aggregate of certificates of deposits received at this office from July to November, 1868 and 1869:

	1868.	1869.
July .....	\$16,990,649 92	\$21,573,634 04
August .....	13,900,385 70	15,015,396 21
September .....	9,700,796 29	13,022,303 27
October .....	10,092,335 34	12,054,799 57
November .....	9,641,304 63	13,145,569 75
Total .....	60,385,471 88	74,816,704 94

**SPIRITS.**

In considering the large increase of revenue from distilled spirits for the last six months of the fiscal year ending June 30, 1869, the subjoined

facts should be remembered. There were in bonded warehouses on 1st July, 1868, as shown by the accounts kept in this office, 27,278,420 gallons of spirits. This included all claims for leakage then outstanding, and a large quantity claimed to have been destroyed by the burning of several bonded warehouses, as well as certain amounts which had previously been withdrawn upon fraudulent bonds and were still unaccounted for.

Under the provisions of the act of July 20, 1868, as amended, all spirits in bonded warehouse at the time of the passage of the act were required to be withdrawn and the tax paid thereon prior to July 1, 1869; and by this requirement 24,383,951 gallons of spirits were necessarily forced upon the market during this fiscal year, and served, to that extent, to increase the revenue from this source; while on the 1st of July, 1869, there remained in bonded warehouse of the new product only 16,663,838 gallons. It thus appears that the quantity of spirits in bond, to be withdrawn and tax paid during the fiscal year ending June 30, 1870, is less by nearly eight millions gallons than the quantity which was compelled to be withdrawn and tax paid for the fiscal year ending June 30, 1869.

The following statement, exhibiting the movements in distilled spirits, is made from statistics furnished by the division in charge of the subject in this bureau; and although the figures may not be absolutely accurate, they approximate it so nearly as to be deemed reliable.

Number of gallons withdrawn from bonded warehouses from July 1, 1868, to June 30, 1869, produced prior to July 1, 1868, at 50 cents per gallon.....	24, 383, 951
Produced prior to July 1, 1868, on which tax was paid at \$2 per gallon.....	95, 561
Total gallons distilled spirits, old product.....	24, 479, 512
Number gallons apple brandy produced prior to July 1, 1868, and tax paid after that date at \$2 per gallon.....	37, 122
Total gallons.....	24, 516, 634
Number of gallons of spirits produced from July 20, 1868, to June 30, 1869, on which tax was collected at 50 cents per gallon.....	36, 704, 046
Number of gallons of grape and apple brandy, tax paid at 50 cents per gallon.....	871, 737
Total gallons.....	37, 575, 783
Total amount on which the tax was collected.....	62, 092, 417
Number of gallons withdrawn for consumption and export from July 1, 1867, to June 30, 1868. 10, 936, 647	
Of this was exported without payment of tax.. 4, 227, 101	
Balance on which the tax was collected for fiscal year 1868..	6, 709, 546
From which it appears that the amount for which the tax was collected for 1869 exceeded that for 1868, gallons...	55, 382, 871
There were produced during the year and in bond July 1, 1868, gallons.....	5, 459, 704

It would appear, also, if the records of this office exhibit fully all the spirits that were consumed and exported during the two years, that

for the year 1869 the consumption and exportation exceeded that of 1868 to the extent of 51,155,770 gallons.

These figures are presented not for the purpose of showing the true amount of production and consumption of distilled spirits, but to exhibit the fact that, prior to the law of July 20, 1868, the government did not collect a tenth part of its tax on distilled spirits.

After July 20, 1868, and prior to June 30, 1869, a period of eleven months, the number of gallons of spirits shown by the records of this office to have been produced, and the tax paid thereon, was..... 36, 704, 046  
And of brandy from fruit during the same period..... 871, 737

Total on which the tax was collected..... 37, 575, 783

Produced during the same period and remaining in bond

July 1, 1869..... 16, 663, 838  
Showing a production in eleven months of..... 54, 239, 621

Being at the yearly rate of 59,170,496 gallons.

The following table shows the receipts for distilled spirits and fruit brandy for the four years ending June 30, 1869:

Year.	Spirits.	Brandy.
1866.....	\$29, 198, 578 15	\$283, 499 84
1867.....	28, 296, 264 31	868, 145 03
1868.....	13, 419, 092 74	871, 638 24
1869.....	33, 225, 212 11	510, 111 57

These figures show simply the gallon tax. They do not include the capacity tax, nor the special taxes of distillers, rectifiers, liquor dealers, &c., which are elsewhere included in the receipts from spirits. The rate of tax for those years was two dollars per gallon until July 20, 1868, when it was reduced to fifty cents.

It is not believed, however, that for the year ending June 30, 1869, the tax has been collected on all the spirits which have gone into consumption, or that all manufactured, on which the tax was uncollected, have been placed in bonded warehouse; and it is not doubted that the results of the current year will verify the accuracy of this opinion.

#### RESURVEYS AND CAPACITIES OF DISTILLERIES.

According to the plan of surveying distilleries originally adopted by this bureau, the average fermenting period is seventy-nine hours. There have been surveyed and operated, under the law of July 20, 1868, by this plan, 864 distilleries. These distilleries have a total mashing and fermenting capacity of 150,155 bushels of grain in twenty-four hours, and a spirit producing capacity of 473,666 gallons for the same period. The number of these distilleries now in operation is 444, with a producing capacity of 243,410 gallons each twenty-four hours when operating to their full extent. The number now under temporary suspension is 420, with a producing capacity of 230,252 gallons each twenty-four hours. Of these it is estimated that at least fifty per cent. will renew operations during the winter months. One hundred now running have resumed, with the approval of the government, since the 1st of September last.

Having become convinced that the average fermenting period heretofore established was much too great, and was a means of fraud upon the

revenue, I have ordered a resurvey of all distilleries in the United States. This work is now progressing upon the basis of forty-eight hours for the average fermenting period, which it is believed is sufficient time, though, under necessary circumstances and conditions, longer time may be given.

By this resurvey the following result is obtained: The present capacity of the 864 distilleries, at 79 hours' fermentation, is 473,666 gallons for every 24 hours.

By the resurvey, at 48 hours' fermentation, the capacity for each 24 hours is estimated at 677,342 gallons.

The present capacity of the 444 distilleries now operating, at 79 hours' fermentation, is 243,410 gallons for every 24 hours.

The capacity of the same, by the resurvey, on 48 hours' fermentation, is 348,076 gallons, or an increase of 104,666 gallons for each 24 hours.

The per cent. of increase in capacity, by the new system of survey, is forty-three one-hundredths.

While this action is believed to be just to the manufacturer, it is expected to work a large increase of the revenue by preventing evasions of the tax, and in many instances positive frauds.

#### LEAKAGE.

The practice of allowing spirits, when taken out of bond, to be re-gauged in order to deduct the difference, under the title leakage, between the quantity gauged when the spirits were received in bond and when taken out, has been a fruitful source of fraud. This office is in possession of facts showing that the government has been generally and almost systematically cheated by this practice. Measures have been taken which it is hoped will result in recovering some of the losses thus sustained.

In view of these facts, and with a clear conviction that the act of July 20, 1868, abolished all provisions for leakage on spirits manufactured after that date, and that, by the proper construction, spirits previously made and placed in bond were no longer subject to deductions for leakage, this office issued an order, on the 14th of April last, disallowing leakage in all cases.

It is believed that this regulation works no injustice to the dealer, while it saves the revenues from fraudulent depletion.

#### THE LAW AS TO SPIRITS.

In the absence of reliable data to fix the annual consumption of distilled spirits we are left to the necessity of conjecture. Were I to express an opinion on this subject, I should place the amount at not less than eighty millions of gallons. This quantity, if the tax were collected, would yield a revenue of not less than fifty-two millions of dollars, basing the estimate on the hypothesis that the entire tax on spirits equals sixty-five cents per gallon.

The best consideration I have been able to give this subject has brought me to the conclusion that, after the present law taxing spirits has been brought into complete execution, and such amendments have been made as time and experience may demonstrate to be necessary to perfect the system, it will yield an annual revenue of sixty millions of dollars.

In view, therefore, of these probabilities, it is submitted whether it will be wise or expedient for Congress to change its legislation in any essential particular as to the amount or as to the collection of the tax on distilled spirits, until further time shall be given to test the merits of the present law in all of its important provisions.

## TOBACCO.

Referring to the comparative statements of receipts for different periods so far as the same relate to tobacco, I have to say that, during the first six months of the fiscal year 1869, the gain on cigars over the corresponding period for the year 1868 was fifty-six per cent.

The loss on chewing and smoking tobacco for the same period was fifteen per cent.; the increased revenue from these articles under the law of July 20, 1868, not being realized until after January 1, 1869, while on cigars the appreciation commenced immediately after the passage of the law.

The number of cigars returned for taxation during the last seven years is as follows:

1863, at an average tax of \$2 37½ per 1,000.....	199,288,284
1864, at an average tax of \$2 37½ per 1,000.....	492,780,700
1865, at an average tax of \$18 20 per 1,000.....	693,230,989
1866, at a uniform tax of \$10 per 1,000.....	347,443,894
1867, at an average tax of \$6 66⅔ per 1,000.....	483,806,456
1868, at a uniform tax of \$5 per 1,000.....	590,335,052
1869, at a uniform tax of \$5 per 1,000.....	991,535,934

It will be seen that during 1866, when the tax was at a uniform rate of ten dollars per thousand, only 347,443,894 cigars were returned for taxation, while under the present law there were returned for the year 1869 nearly three times the quantity, with the tax at the uniform rate of five dollars per thousand.

The amount of tax collected on cigars was for the fiscal year

1869 .....	\$4, 957, 679
1866 .....	3, 474, 438

Showing an increase of revenue on one article for 1869 over

1866, at half the rate of taxation, of ....	1, 483, 241
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## TOBACCO STAMPS.

Since assuming the duties of this office much time, labor, and expense have been bestowed upon the preparation of suitable stamps for the collection of the tax on tobacco. An entirely new set of stamps has been provided, greatly superior, it is believed, to any internal revenue stamps for tobacco previously issued by the government. A stamp in serial numbers has been adopted for plug tobacco, adapted for all packages of ten pounds and upwards. This stamp is prepared with a stub, and the regulations require, in its use, the name of the collector who sells it, and that of the manufacturer who uses it, to be written thereon, and consists of seven denominations, as follows: ten pounds, fifteen pounds with nine coupons, twenty, twenty-one, twenty-two, twenty-three, forty, and sixty pounds. These stamps have been prepared with as much skill as possible by the engraver, with the view of protecting the government from imitations. The former stamp for plug tobacco, of ten pounds and upwards, is known to have been extensively counterfeited, greatly to the loss of revenue.

The stamps for smaller packages of tobacco have also been changed, to prevent, as far as possible, fraudulent imitations. These improvements were found to be necessary, and have thus far aided in protecting the government to a large extent, though it has not been possible to wholly defeat the practices of counterfeiters.



## THE LAW AS TO TOBACCO.

I am of the opinion that it will be unwise to make any material change in the present classification of tobacco for taxation, or in the rate of tax imposed on the different classes.

Manufacturers and dealers are rapidly becoming accustomed to the terms and requirements of the law, and it is believed that less objection will be urged to the law as it now stands than to a change to any new system of taxation, collecting the necessary amount of revenue from tobacco, that is likely to be devised.

Some few amendments, to improve the efficiency of the law, which have been prepared in this office, may be deemed necessary, and which I shall be ready to communicate, through you, to Congress, when required.

## REVENUE STAMPS.

The following table is submitted, showing the net receipts from revenue stamps from March to October, inclusive, for the years 1868 and 1869:

	1868.	1869.
March .....	\$1,270,095 00	\$1,002,648 25
April .....	1,464,393 23	1,466,861 23
May .....	1,220,837 14	1,465,333 30
June .....	1,125,610 85	1,307,007 23
July .....	1,005,189 15	1,228,677 61
August .....	1,131,769 34	1,226,156 84
September .....	1,163,513 24	1,250,543 74
October .....	1,367,033 89	1,271,361 92
Total .....	9,856,461 84	10,798,890 15

This shows an increase in revenue, from stamps, during this six months, of nearly one million dollars. This increase, though considerable, is by no means reckoned satisfactory. It has resulted mainly from the policy of this office, in April last, requiring all stamps to be so placed on the instrument of writing as to exhibit the entire face of the stamp, and prohibiting the practice which had obtained extensively of covering the supposed half of one stamp by the attachment of another, when in fact the stamp was cut in two, and one-half used to represent a full stamp in another instance.

The gross receipts from stamps for the last fiscal year were \$16,420,710. For the current year they are estimated at \$17,500,000, but it is believed that this tax ought to yield at least \$20,000,000.

The British government collects a much larger sum from the same source, its receipts averaging from 1865 to 1869, inclusive, over sixty million dollars per annum. This fact is frequently stated by public speakers and journals as an evidence of the great defect of our system: and while there is some reason, there is yet more injustice, in this strict comparison. The British system is not so well understood in this country as to make a comparison of receipts, merely, fair to us. The one salient point, however, that we fail to collect as much revenue as our system ought to yield, cannot be ignored. The cause of this failure, and the remedy for it, have received as much consideration from me as the increasing labors of this bureau would permit.

One undoubted cause is that parties frequently omit to stamp instruments required to be stamped by law. This is the result of negligence, frequently, and often of design. A remedy for this would be found by invalidating all instruments not stamped according to law, and by making the penalty, though comparatively light, at least twice the

stamp duty, and never less than five dollars where the omission appeared to be from neglect only and not design.

I am of opinion that the most serious abuse in the evasion of the stamp laws is the fraudulent second use of stamps after washing and cleansing them from the first official cancellation. Various methods for preventing this practice have been suggested, but none free from difficulty or objection. One plan is the adoption of a mechanical cancellation. Various instruments have been presented for this purpose possessing more or less merit. The objections to this plan are the expense of the instrument to be purchased and used, and the inconvenience to those remote from towns and cities, doing little business and requiring few stamps, who would be obliged to provide themselves with a cancelling instrument out of proportion to their means and necessities.

Another plan is to print stamps with a fugitive ink, so as to render it impossible to remove the cancellation marks without destroying the face and body of the stamp. The favorable and adverse opinions of experts and chemists, as to the practicability of this plan, seem to be about equally divided. It is urged that stamps so printed, when subjected to atmospheric action and exposure to dampness, would be found to deface so readily as to render them frequently worthless to the purchaser.

A third plan is to print stamps on a distinctive paper, to be provided by the Treasury Department for all government stamps, and which, for revenue stamps, is to be enameled and printed in permanent ink, not subject to fade from exposure, but by which the whole face of the stamp would be obliterated by an attempt to wash off the marks of cancellation.

While it is doubtful if this last plan is feasible, from the liability of the enameled stamp to break when folded, I am unwilling to express any opinion at present, as between the plans, or in favor of any one of the plans proposed.

I would suggest that it be recommended to Congress to authorize the Commissioner of Internal Revenue to send an agent to Europe to examine and become familiar with the stamp systems of other governments. In this manner alone, and at small expense, this government can avail itself of the knowledge which science and long experience have furnished on this subject to older governments.

#### INCOMES FROM INDIVIDUALS.

The total amount collected on the annual list of incomes

for 1867 was .....	\$27, 417, 957
For 1868 .....	23, 390, 370
For 1869 up to November .....	25, 293, 680

This last sum will be increased to an amount over twenty-six millions.

As this tax expires with the assessment for 1870, it will be for Congress to determine whether we can part entirely with the receipts from this source of revenue; and, if not, whether any substitute can be devised more just and equitable, and less burdensome to tax payers.

If the income from this source cannot be spared from the general receipts, and other objects cannot be found more acceptable as a substitute, it is for Congress to determine whether or not the tax shall be renewed.

In considering this question, after determining the total amount which ought to be realized from internal revenue sources, and considering carefully what will be realized by the present system, without resorting to incomes, the question will present itself, whether the entire income tax, as now assessed, shall be revived, or whether it shall be renewed at a

less rate of taxation. My opinion is that, so long as a large internal revenue is required by the financial necessities of the government, a portion of that revenue should be collected from incomes. The reasons for this seem apparent and forcible. This tax reaches simply the profits of trade and business, and the increased wealth of individuals from investments. If the tax were paid as these profits and accumulations accrue, it is not believed that it would be thought objectionable, but, being required to be paid all at one time, and often after the income has been reduced by the expenses of the tax-payer, or re-invested in business, it seems more onerous, and is more seriously complained against.

The objection most frequently and earnestly made against this tax is, that it leads to a system of espionage into private affairs that is not only offensive but sometimes injurious to individuals.

I do not see why this objection may not, with equal force, be urged against all taxes upon personal property. Such taxes cannot be collected without ascertaining the amount of taxable property possessed by the tax-payer. The law imposing a tax upon incomes does nothing more than this, if so much. It simply requires a truthful and honest statement of the actual income of the tax-payer during the preceding year, which can be complied with as easily, and with as little exposure of private affairs, as any other law—national, State, or municipal—which seeks to raise revenue from the personal estate of tax-payers.

After all, it is but a tax upon the increased wealth of the nation; and when it is understood that government securities are exempted from taxation, and that the interest on these securities produces a large amount of the incomes of tax-payers, I submit if it will be wise to abolish the income tax so long as the labor, industry, and business of the country are directly or indirectly subjected to any considerable taxation. These observations are intended to apply to the questions whether the income tax shall be retained or abolished, and not to the rate of the tax or the manner of its assessment and collection.

#### SUPERVISORS AND DETECTIVES.

The policy of changing supervisors from one jurisdiction to another has been found to be advantageous. It inspires new zeal and energy in the officers, and frequently relieves them from local embarrassments that tend to diminish their usefulness. This office has proved of great importance to the service, and should always be filled with men of undoubted integrity and capacity, who possess a high order of general business qualifications. The present salary is not sufficient to always command such qualifications, and I venture to recommend the propriety and economy of increasing the salary. The apparent reason for placing the appointment of supervisors where it now rests no longer exists, and is not likely to again occur. I would, therefore, suggest that the law be amended, so that this officer shall be nominated by the President and confirmed by the Senate.

Detectives, as they are now termed by law, are in fact but the assistants of supervisors. The name has proved of no advantage to the service, is generally regarded as odious, and for this reason many very competent men have been unwilling to accept of the appointment of *detective*. I am of opinion that the public service would be promoted by changing the name to that of assistant supervisor, leaving the manner of appointment, the tenure of office and compensation as now provided by law.

## PREVENTION OF FRAUDS.

The experience of this office has confirmed the opinion I entertained when entering upon its duties as to the only means of preventing frauds and enforcing the revenue laws. These objects, if accomplished, must be attained through the local officers in each collection district. In this view it was that extraordinary endeavors were made for the selection of proper internal revenue officers, with the incoming of the present administration.

Where the government has placed efficient and honest assessors and assistants, the taxes are assessed without delay and with reasonable accuracy. The same may be said of the collection of the revenue, where collecting officers of like character are found. With capable and honest gaugers and storekeepers, it is not perceived how there can be any failure to collect the tax on distilled spirits. It is a fact worthy of note that while it is nearly impossible for a distiller to defraud the revenue without the knowledge and privity of either gauger or storekeeper, or of both, the records of this bureau furnish scarcely an instance where one of those officers has disclosed the fraudulent practices of a manufacturer. To reform this branch of the service, a rule has been adopted to appoint assistant assessors and gaugers on the recommendation of assessors, and storekeepers on the recommendation of collectors. This rule is adhered to, except for special reasons. Circular letters have been addressed to all assessors and collectors enforcing the importance of recommending proper men only for such positions; and when those officers are made to feel that they are responsible for the execution of the laws in their districts, and that their tenure of office, as well as reputation, depends on their success, it is believed that most of the evils and obstructions will be remedied. Certainly, I have more hope of success by securing the aid of honest, capable, and faithful local officers than seems to be warranted in any or all the mechanical devices which have been or can be suggested for the prevention of frauds in the revenue service.

## THE INTERNAL REVENUE LAWS NOT UNJUST OR BURDENSOME.

Of the total receipts of internal revenue for the fiscal year 1869, there were collected from the following sources:

Spirits .....	\$45, 026, 402
Tobacco .....	23, 430, 708
Fermented liquors .....	6, 099, 879
Incomes and salaries .....	34, 791, 856
Stamps .....	16, 420, 710
Banks and bankers .....	3, 335, 517
Legacies and successions .....	2, 434, 593
Schedule A, and passports .....	912, 314
Gas companies .....	2, 116, 006
From other sources .....	25, 471, 359
	<hr/>
	160, 039, 344
	<hr/>

The amount from *other sources* was collected from the gross receipts of railroads, insurance and express companies, from the sales of brokers, dealers, and manufacturers, from special taxes, and from penalties and miscellaneous sources.

It is estimated that at least ninety per cent. of the entire receipts was

collected from a few objects and sources, all of which may be classed as luxuries, or as the accumulated and associated wealth of the country.

It is difficult to see how the necessary revenue from internal sources can be obtained with much greater respect for labor, and with more justice to the common industry, than is secured by the present law.

It may well be doubted if any considerable portion of the tax can be objected to on principle, or for injuriously interfering with the manufacturer, or being too high. It is the fairest tax, the most equal and least burdensome of any laid on the citizen, for it is a revenue paid in proportion to the free consumption and increasing profits of the people.

I desire to add my opinion that the present system ought, in a short time, if faithfully administered, to yield a revenue not below the following estimate, from the following sources:

Spirits .....	\$60, 000, 000
Tobacco .....	35, 000, 000
Fermented liquors.....	8, 000, 000
Incomes, salaries, and Schedule A.....	40, 000, 000
Stamps.....	20, 000, 000
Banks and bankers.....	3, 500, 000
Legacies and successions.....	4, 000, 000
Gas companies.....	2, 500, 000
	<hr/>
	173, 000, 000

If these conjectures are well founded, after a brief period the excise tax can be limited to still fewer objects of taxation than at present, and those such as all admit to be the ones that should bear the burden. The realization of these anticipations will enable Congress to sweep away the special or license tax and all others that rest upon the labor, industry, and smaller business transactions of the country.

#### AMENDMENTS TO THE LAWS.

The practical operation of the revenue laws has suggested to officers of this bureau having charge of the respective branches of the service various amendments, which, if made, will facilitate, it is believed, the collection of the revenue, and secure, in the administration of the laws, a more perfect accomplishment of the intent and purpose of Congress.

These amendments do not affect the general system, but look entirely to an explanation of provisions not clear from doubt and ambiguity, and the supplying of some few manifest omissions in the law. After being well considered a synopsis will be prepared, to be used by the Secretary of the Treasury according to his discretion, or to be furnished to Congress, or its committee, as shall be required.

#### SPIRIT METERS.

The facts preceding and attending the adoption by this office of the instruments known as the Tice meters, as means of measuring the quantity and determining the strength of distilled spirits, with the view of arriving at a correct basis of taxation, and also as means of preventing and detecting frauds, by the process of automatic registration in sealed and otherwise protected safes, have been so fully reported by my predecessor as to render unnecessary any mention of them here.

Since first undertaking the discharge of the duties of this office I have steadily borne in mind the importance of correctly ascertaining the

quantity and strength of the spirits distilled at any distillery operating under the laws and regulations governing this branch of domestic industry, to the end that no part of the revenue legitimately derivable from this source might be lost to the government. Hence, by regulations and instructions I have endeavored to obtain whatever aid in this direction was to be had from the instruments named above, approved and recommended, as they were, by a committee of distinguished scientific gentlemen, and adopted by my predecessor with the sanction of the Secretary of the Treasury. And it now becomes my duty to say, that while the Tice meters appear to have operated well under circumstances in every respect favorable, under other circumstances, by which they must at all times and in all places be more or less effected, the weight of testimony before me is such that I have been led to doubt their sufficiency for the purposes designed. In consequence of such doubt, and that distilleries might not be subjected to an expense which is represented to be burdensome without the government attaining thereby a corresponding protection to its revenues accruing from this source, I have recently provided for certain experimental tests with these instruments which will determine their utility, or otherwise, in the light of practical experience. These tests are now under way, and are conducted by persons who, and in a manner which, can hardly fail to bring about satisfactory results, whether favorable to the instrument or not.

The results thus anticipated will be made known in a supplemental report at the earliest time practicable after their development.

#### EXPENSES OF COLLECTING THE REVENUE.

There were paid for expenses incident to the collection of the revenue for 1868.....	\$8, 776, 814
For 1869 .....	\$7, 394, 395
Deduct the amount paid to storekeepers, act of July 20, 1868 .....	608, 918
Leaving for this year on the basis of the account for 1868..	6, 785, 477
Decrease in favor of 1869 .....	1, 991, 337

By an amendment to the act of July 20, 1868, passed March 4, 1869, the compensation of storekeepers is to be repaid to the government by the manufacturers of distilled spirits and owners of warehouses. These repayments are found to be difficult to collect, and I am of opinion that this mode of paying storekeepers should be abolished at once. Only \$175,785 of the amount expended by the government for this purpose had been repaid on the 30th of June, 1869.

The accounts of this bureau do not show precisely the expenses of collecting the revenue for each year, because the amounts charged during each year embrace expenses actually incurred in the preceding year.

The expenses of the bureau for 1868 were.....	\$567, 214
Deduct the cost of printing stamps, and for rent .....	150, 000
Actual expenses of the bureau for 1868.....	417, 214
Expenses for the year 1869.....	\$656, 395
Deduct for printing stamps, &c.....	256, 000
Actual expenses.....	400, 395
Decrease in favor of 1869.....	16, 819

Prior to the act of July 20, 1868, no stamps for distilled spirits and tobacco were required. This expense has now become an important item.

The commissions allowed on the sale of stamps for 1869 were.	\$915, 217
For 1868 .....	805, 638
Increase for 1869.....	<u>109, 579</u>

These commissions were at the same rate during each year, and the increase is due to the larger sale of stamps during the year 1869.

#### THE INTERNAL REVENUE BUREAU; ITS ORGANIZATION AND WORK.

As early as possible after entering upon my duties I caused a reorganization of the clerical labor into three principal divisions, in charge of the solicitor of internal revenue, and the second and third deputy commissioners.

To the first deputy commissioner were assigned the records of appointment, and the duties of general executive officer of the bureau.

To the law division, under the solicitor, the subjects of frauds against the revenue, refunding and abatement of taxes, of legacies, successions, incomes, salaries, dividends, special taxes, and questions relating to the tax on tobacco.

To the second division, under the second deputy, the accounts of revenue officers, book-keeping, stamps, and statistics.

To the third division, under the third deputy, the subjects of distilled spirits, registering, recording and filing, blanks, stationery, and miscellaneous business.

These principal divisions were subdivided into sections, and the most important sections placed in charge of an officer of the class of "heads of divisions," under the act of July 13, 1866. In my judgment it would be well to increase the number of this class sufficiently to provide one for each section of the bureau.

There was subsequently organized an independent division, to which were assigned the manner of service and correspondence of supervisors and their assistants, which was placed in charge of an officer of the detective force detailed for that purpose.

This re-organization has worked efficiently and harmoniously, though the business of some of the sections has increased so largely as to render it desirable to form them into another division with additional clerical force.

The entire re-organization of this bureau is a subject which is recommended to the careful consideration of Congress.

The following summary, from the statistical reports, will convey some idea of the magnitude and importance of its labors:

Number of seizures for violation of law for the fiscal year 1869 .....	1, 744
Number of seizures for violation of law for the first quarter of 1870.....	1, 021
Number of cases compromised during the fiscal year 1869 .....	152
Amount received as tax thereon.....	\$156, 004 86.
Assessed penalties fixed by law .....	\$44, 130- 63.
An lieu of fines, penalties, and forfeitures.....	\$125, 169 98
Number of cases compromised during the first quarter 1870 .....	144

Amount received as tax thereon.....	\$79, 227 39
Assessed penalties fixed by law.....	\$10, 611 06
In lieu of fines, penalties, and forfeitures.....	\$58, 817 08
Number of compromise opinions prepared from March 11 to September 30, 1869.....	304
These cases occur throughout the entire country, involving extensive litigation, the preparation for and conduct of which, on the part of the government, consumes a large share of the time and attention of this office, and constitutes in itself an important business.	
Number of suits brought in federal courts during the fiscal year 1869.....	4, 578
Of these, the number of proceedings <i>in rem</i> .....	844
Number of indictments found.....	2, 552
Number of other proceedings <i>in personam</i> .....	1, 182
Number of judgments in proceedings for forfeiture..	719
Number of convictions on indictments .....	1, 020
Number of acquittals .....	207
Number of suits decided in favor of the United States..	2, 166
Number of suits decided against the United States..	432
Number of suits settled or dismissed.....	1, 359
Number of suits pending July 1, 1869.....	4, 007
Amount of judgments in suits <i>in personam</i> .....	\$994, 531 48
Amount collected and paid into courts.....	\$114, 791 01
Amount of forfeitures paid into courts .....	\$480, 796 89
Number of suits and proceedings begun in United States courts during the first quarter of 1870, as reported by United States district attorneys, <i>in rem</i> , 276; <i>in personam</i> , 460; total.....	736
Number of claims for abatement considered during the fiscal year 1869.....	82, 115
Number of claims for refunding considered.....	3, 173
Amount rejected of same .....	\$320, 156 03
Number of refunding claims considered first quarter of 1870 .....	548
Amount refunded for same time .....	\$53, 597 09
Amount rejected .....	\$91, 096 93
Number of accounts examined and passed during the fiscal year 1869.....	51, 566
For the first quarter of 1870.....	8, 897
Certificates of deposits received, examined and entered for 1869.....	65, 370
For the first quarter of 1870.....	13, 067
Orders received for internal revenue stamps for 1869.	11, 278
For the first quarter of 1870.....	3, 487
Number of stamps received from printers during 1869	578, 109, 311
Value thereof.....	\$89, 098, 161 86
Number for the first quarter of 1870.....	180, 532, 387
Value thereof .....	\$49, 228, 728 38
Number of internal revenue stamps issued for the year 1869.....	575, 415, 263
Value thereof.....	\$78, 090, 293 11
For the first quarter of 1870.....	174, 640, 302
Value thereof.....	\$30, 783, 465 50
Value of tobacco stamps received for the first quarter of 1870.....	\$15, 730, 289 74
Value of tobacco stamps issued for the same time....	\$10, 906, 423 31



Value of beer stamps received for the first quarter of 1870.....	\$2, 820, 042 25
Value of beer stamps issued for the same time.....	\$1, 834, 150 00
Value of stamps for distilled spirits received for the same time.....	\$17, 232, 925 00
Value of same issued for the same time.....	\$6, 392, 750 00
Number of stamp agents' bonds examined.....	350
Number of claims for refunding stamps unnecessarily used.....	650
Number of instruments examined for photograph companies.....	300
Number of letters received and registered for the fiscal year 1869.....	60, 398
For the first quarter of 1870.....	17, 329
Number written and recorded for 1869..	46, 652
For the first quarter of 1870.....	17, 270
Number of blanks prepared and sent out for 1869....	8, 046, 360
For the first quarter of 1870.....	1, 695, 741
Number of distilleries registered.....	864
Number of officers connected with the internal revenue service who report to this bureau.....	6, 003

In concluding this report, I desire to acknowledge my obligations to the officers and to the clerks, both male and female, of the Internal Revenue Bureau, for their valuable assistance, for their honest devotion to the public service, and for the very faithful discharge of their official duties.

C. DELANO,  
*Commissioner.*

Hon. GEORGE S. BOUTWELL,  
*Secretary of the Treasury.*

## REPORT OF THE COMPTROLLER OF THE CURRENCY.

OFFICE OF THE COMPTROLLER OF THE CURRENCY,

*Washington, November 10, 1869.*

SIR: In compliance with the provisions of section 61 of the national currency act, I have the honor to present, through you, to the Congress of the United States the following report:

Since the last annual report nine national banks have been organized, of which eight are new associations, and one a conversion from a State bank, making the total number organized up to October, 1869, sixteen hundred and ninety-four.

A table exhibiting the number of banks, with the amount of capital, bonds deposited, and circulation, in each State and Territory, on the 30th of September, 1869, will be found on the first page of the Appendix to this report.

From the number of banks organized, above stated to be sixteen hundred and ninety-four, should be deducted seventy-four, leaving the number in active operation sixteen hundred and twenty.

The banks to be excluded are the following:

NEVER COMPLETED THEIR ORGANIZATION SO AS TO COMMENCE BUSINESS.

The First National Bank of Lansing, Michigan, No. 232.

The First National Bank of Penn Yan, New York, No. 169.

The Second National Bank of Canton, Ohio, No. 463.

The Second National Bank of Ottumwa, Iowa, No. 195.

**SUPERSEDED BY SUBSEQUENT ORGANIZATION WITH THE SAME TITLES.**

The First National Bank of Norwich, Connecticut, original No. 65; present No. 458.

The First National Bank of Utica, New York, original No. 120; present No. 1,395.

**IN VOLUNTARY LIQUIDATION.**

The First National Bank of Columbia, Missouri.

The First National Bank of Carondelet, Missouri.

The National Union Bank of Rochester, New York.

The National Bank of the Metropolis, Washington, D. C.

The First National Bank of Leonardsville, New York.

The Farmers' National Bank of Richmond, Virginia.

The Farmers' National Bank of Waukesha, Wisconsin.

The City National Bank of Savannah, Georgia.

The National Bank of Crawford County, Meadville, Pennsylvania.

The First National Bank of Elkhart, Indiana.

The First National Bank of New Ulm, Minnesota.

The Pittston National Bank, Pennsylvania.

The Berkshire National Bank of Adams, Massachusetts.

The Fourth National Bank of Indianapolis, Indiana.

The Kittanning National Bank, Kittanning, Pennsylvania.

The First National Bank of Providence, Pennsylvania.

The National State Bank of Dubuque, Iowa.

The Ohio National Bank of Cincinnati, Ohio.

The First National Bank of Kingston, New York.

The First National Bank of Bluffton, Indiana.

The First National Bank of Skaneateles, New York.

The First National Bank of Jackson, Mississippi.

The First National Bank of Downingtown, Pennsylvania.

The National Exchange Bank of Richmond, Virginia.

The Appleton National Bank, Appleton, Wisconsin.

The National Bank of Whitestown, New York.

The First National Bank of New Brunswick, New Jersey.

The First National Bank of Titusville, Pennsylvania.

The First National Bank of Cuyahoga Falls, Ohio.

The First National Bank of Cedarburg, Wisconsin.

The Commercial National Bank of Cincinnati, Ohio.

The Second National Bank of Watertown, New York.

The Second National Bank of Des Moines, Iowa.

The First National Bank of South Worcester, New York.

The National Mechanics and Farmers' Bank of Albany, New York.

The First National Bank of Plumer, Pennsylvania.

*Since October 1 1868:*

The First National Bank of Steubenville, Ohio.

The First National Bank of Danville, Virginia.

The First National Bank of Oskaloosa, Iowa.

The Merchants and Mechanics' National Bank of Troy, New York.

The National Savings Bank of Wheeling, West Virginia.

The First National Bank of Marion, Ohio.

The National Insurance Bank of Detroit, Michigan.

The National Bank of Lansingburg, New York.

The National Bank of North America of New York, New York.

The First National Bank of Hallowell, Maine.  
 The First National Bank of Clyde, New York.  
 The Pacific National Bank of New York, New York.  
 The Grocers' National Bank of the city of New York, New York.  
 The Savannah National Bank, Savannah, Georgia.  
 The First National Bank of Frostburg, Maryland.  
 The First National Bank of La Salle, Illinois.  
 The First National Bank of Dorchester, Massachusetts.

A statement showing the capital, bonds deposited to secure circulation, circulation delivered, circulation redeemed, and circulation outstanding October 1, 1869, of the foregoing banks, will be found in the Appendix.

**NATIONAL BANKS WHICH HAVE FAILED TO REDEEM THEIR CIRCULATING NOTES, FOR WHICH RECEIVERS HAVE BEEN APPOINTED.**

The First National Bank of Attica, New York, Leonidas Doty, receiver.\*

The Venango National Bank of Franklin, Pennsylvania, Harvey Henderson, receiver.

The Merchants' National Bank of Washington, D. C., James C. Kennedy, receiver.

The First National Bank of Medina, New York, Edwin P. Healey, receiver.

The Tennessee National Bank of Memphis, Tennessee, William A. Hill, receiver.

The First National Bank of Newton, Newtonville, Massachusetts, D\* Wayland Jones, receiver.

The First National Bank of Selma, Alabama, Cornelius Cadle, jr., receiver.

The First National Bank of New Orleans, Louisiana, Charles Case, receiver.

The National Unadilla Bank, Unadilla, New York, Lewis Kingsley, receiver.

The Farmers and Citizens' National Bank of Brooklyn, New York, Frederick A. Platt, receiver.

The Croton National Bank of the city of New York, C. P. Bailey, receiver.

The National Bank of Vicksburg, Mississippi, B. H. Polk, receiver.

The First National Bank of Keokuk, Iowa, O. C. Hale, receiver.

The First National Bank of Bethel, Connecticut, E. S. Tweedy, receiver.

Since last report but one bank has failed—The First National Bank of Rockford, Illinois, R. P. Lane, receiver.

During the past year the following dividends have been paid:

To the creditors of The First National Bank of Medina, New York, 38½ per cent.

To the creditors of The Farmers and Citizens' National Bank of Brooklyn, New York, additional dividends of 32 per cent., making in all 87 per cent.

To the creditors of The Croton National Bank of the city of New York, an additional dividend of 25 per cent., making in all 75 per cent.

To the creditors of The Tennessee National Bank of Memphis, a dividend of 14 per cent. has been declared, but has not yet been paid, owing to a failure on the part of the leading creditor to present the proper vouchers.

A statement showing the capital, amount of United States bonds de-

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\* Finally closed.

posited to secure circulation, circulation delivered, circulation redeemed at the Treasury of the United States, and the amount outstanding October 1, 1869, of national banks in the hands of receivers, will be found in the Appendix.

## NOTES IN CIRCULATION.

The following statement exhibits the number and amount of notes issued, redeemed, and outstanding, September 30, 1869.

	No. of notes.	Amount.
<b>ONES.</b>		
Issued.....	9,589,160	\$9,589,160 00
Redeemed.....	904,013	904,013 00
Outstanding.....	8,685,147	8,685,147 00
<b>TWOS.</b>		
Issued.....	3,209,388	6,418,776 00
Redeemed.....	232,224	464,448 00
Outstanding.....	2,977,164	5,954,328 00
<b>FIVES.</b>		
Issued.....	23,676,760	118,383,800 00
Redeemed.....	985,940	4,929,700 00
Outstanding.....	22,690,820	113,454,100 00
<b>TENS.</b>		
Issued.....	8,094,645	80,946,450 00
Redeemed.....	272,495	2,724,950 00
Outstanding.....	7,821,150	78,221,500 00
<b>TWENTIES.</b>		
Issued.....	2,260,764	45,265,280 00
Redeemed.....	71,655	1,433,100 00
Outstanding.....	2,198,109	43,832,180 00
<b>FIFTIES.</b>		
Issued.....	363,523	18,176,150 00
Redeemed.....	22,859	1,142,950 00
Outstanding.....	334,664	16,733,200 00
<b>ONE HUNDREDS.</b>		
Issued.....	274,799	27,479,900 00
Redeemed.....	25,968	2,596,800 00
Outstanding.....	248,831	24,883,100 00
<b>FIVE HUNDREDS.</b>		
Issued.....	13,668	6,834,000 00
Redeemed.....	2,585	1,292,500 00
Outstanding.....	11,083	5,541,500 00
<b>ONE THOUSANDS.</b>		
Issued.....	4,769	\$4,769,000 00
Redeemed.....	2,415	2,415,000 00
Outstanding.....	2,354	2,354,000 00
Total amount of all denominations outstanding on the 30th day of September, 1869.....		299,789,055 00
Add for fragments of notes outstanding, lost, or destroyed, portions of which have been redeemed.....		840 45
Total.....		299,789,895 45

The following statement shows the amounts and kinds of United States bonds held by the Treasurer of the United States to secure the redemption of the circulating notes of national banks on the 30th day of September, 1869.

Registered bonds, act of June 14, 1858.....	\$675, 000
Registered bonds, act of June 22, 1860.....	35, 000
Registered bonds, act of February 8, 1861.....	3, 491, 000
Coupon bonds, act of March 2, 1861.....	16, 000
Registered bonds, acts of July 17 and August 5, 1861.....	58, 830, 050
Registered bonds, act of February 25, 1862.....	59, 228, 850
Coupon bonds, act of February 25, 1862.....	4, 200
Registered bonds, act of March 3, 1863.....	33, 345, 900
Registered bonds, act of March 3, 1864, 5 per cent.....	91, 579, 450
Coupon bonds, act of March 3, 1864, 5 per cent.....	10, 000
Registered bonds, act of March 3, 1864, 6 per cent.....	2, 753, 500
Registered bonds, act of June 30, 1864.....	35, 218, 700
Registered bonds, acts July 1, 1862, and July 2, 1864.....	18, 523, 000
Registered bonds, act of March 3, 1865, 1st series.....	25, 465, 200
Registered bonds, act of March 3, 1865, 2d series.....	10, 392, 800
Registered bonds, act of March 3, 1865, 3d series.....	2, 678, 450
Registered bonds, act of March 3, 1865, 4th series.....	228, 000
<b>Total.....</b>	<b>342, 475, 100</b>

In my report for 1867 I called the attention of Congress to the fact that, in several instances, notes prepared in the usual manner for issue to national banks had been purloined from this office. Two amounts larger than the rest were mentioned, to wit: \$4,500 in fifty and one hundred dollar notes of The National City Bank of Lynn, Massachusetts, and \$12,000 in fifty and one hundred dollar notes of The First National Bank of Jersey City, in addition to which several thefts of a single sheet had occurred, making in all \$17,560. Suspicion at that time was directed to a colored man, who had been employed in the office from the time of its organization, in a confidential capacity, and who was then under arrest. The evidence against him, though very strong, was not considered to be conclusive, and it was thought best not to bring the case to trial at once, but to wait and see what additional testimony might be developed by the lapse of time. During the past year, efforts made by the guilty party to avail himself of the stolen notes, furnishing conclusive proof of his guilt, he was tried in the criminal court of the District in August last, and convicted, but a motion in arrest of judgment was granted by the court for some defect in the indictment, and the criminal was discharged; he was at once rearrested on several other charges, and is now awaiting his trial on new indictments. Only about \$1,400 of the stolen notes have been recovered, and it is a serious question whether provision should not be made for the payment of these stolen notes when found in the hands of innocent holders. Their similarity to the genuine issues of the same and other national banks, and the difficulty, to any but the most expert and skillful, in recognizing the forged signatures, make it impossible for the great majority of those who may handle money to distinguish the spurious from the genuine issues. The subject is respectfully submitted to the consideration of Congress.

#### REPORTS.

Under the act of Congress of March 3, 1869, three reports have been called for. The first call was made Tuesday, April 20, for a report showing the condition of the banks at the close of business on the previous Saturday, April 17.

The second call was made June 15, for a report showing the condition of the banks on Saturday, the 12th of June.

The third call was made October 13, for a report showing the condition of the banks on the 9th of that month.

The first report showed a larger number of banks than usual deficient in their reserve of lawful money, but generally in small amounts.

The second and third reports, successively, exhibited an improvement in this respect; and as they are regarded as setting forth the actual working condition of the banks, without manipulation or preparation, the results are far more valuable and gratifying. In fact, the two evils most complained of under the former system of reports, to wit: previous preparation on the part of the banks, and the opportunity afforded to speculators to manipulate the money market, have been almost entirely done away with. The banks habitually keep themselves in better condition, as a rule are less extended, and have more complete control of their affairs. If they carry out this policy a little more thoroughly, they will be less at the mercy of the borrowers, will be better able to protect the legitimate interests of their customers, and better entitled to the fostering care of the government.

#### LIQUIDATION.

As the law now stands, a bank may, by a vote of the shareholders owning two-thirds of its stock, go into liquidation and close up its affairs. After the expiration of one year from the publication of notice to its bill-holders and creditors, as required by the statute, it may deposit with the Treasurer of the United States legal-tender notes for its outstanding circulation, and take up the bonds held as security therefor.

This section was undoubtedly intended to provide for the winding up of banks under the ordinary conditions incident to specie payments. The natural flow of notes to the place of their issue, when banks are paying specie, would cause a large portion of them to be redeemed during the year; and if the bank is solvent, and in good faith endeavoring to close up its affairs, the most of its creditors would probably be paid by the expiration of that period. So that, supposing the liquidation to have progressed so far that the bank is ready to distribute its capital among its stockholders, the law provides the manner in which the liquidation shall be completed, and the shareholders discharged from all further liability on account of its circulating notes, within a reasonable time.

In this view of the case the provisions of the statute are reasonable and proper. But, under existing circumstances, when bank notes remain in circulation until they are worn out, and when the use of the notes as money is so much more valuable to the holder than any gain he may realize from their redemption that he will not send them home for that purpose, the year provided in the law, and the purpose of that provision, are of no moment whatever. Banks go into liquidation, and call upon note-holders to present their notes for redemption, by published notice, as required by law, but, during the whole year that follows, are not obliged to redeem anything except now and then a worn-out or defaced note. This facility of circulation, and the absence of all cost of redemptions, have probably induced some associations to take the legal steps for going into liquidation, with the expectation of continuing to reap the benefit of their outstanding circulation, while they continue to do a banking business under State laws, or as private bankers.

This is an abuse that could only be practiced under a suspension of

specie payments, and during the absence of all demand for redemptions; but for the time it is none the less an abuse that requires correction. Congress provided by law for the organization of banking associations which should be subject to certain restrictions, and which should be authorized to issue notes for circulation as national currency. The privilege of issuing circulation was granted upon certain conditions. The privilege and the conditions go together. The law does not contemplate that the conditions should be cast aside or disregarded while the privilege is retained. Unfortunately the phraseology of the law seems not to forbid such operations, and the interference of Congress is necessary to prevent its privileges from being abused, and to protect those banks which are in good faith endeavoring to comply with all the requirements of the law.

It is respectfully recommended that Congress should pass an act in one section, unconnected with any other subject, requiring all banks that go in liquidation to deposit legal-tender notes for their outstanding circulation, and take up their bonds deposited with the Treasurer of the United States as security for such circulation, within sixty days from the date of the vote of the shareholders to go into liquidation.

#### METHOD OF COLLECTING UNITED STATES TAXES.

Section 41 of the national banking law provides for taxing the circulation, deposits, and capital not invested in United States bonds, of national banks. The banks are required to report and pay these taxes semi-annually to the Treasurer of the United States. This they have done regularly since their organization, paying into the treasury several millions every year, without trouble, and without expense to the government.

Under the internal revenue law they are required to pay a special tax, and a dividend tax to the collectors of the several districts in which they are located.

It is recommended that all taxes imposed on national banks by the United States be made returnable and payable to the Treasurer of the United States, in the same manner that the larger portion of them now are.

This change would avoid confusion, save expense and trouble, collect the taxes more promptly, and probably more thoroughly, and place the whole business under the supervision of one officer, by which means, also, all information on the subject would be concentrated in one office, and so be more accessible.

#### SPECIAL EXAMINATIONS.

Perhaps no one thing has done more to promote the safety and sound management of national banks than their liability to examination without previous notice, by an agent appointed for that purpose, and probably no provision of the law was more unpopular among the banks when the law first went into effect; but the good results brought about, directly and indirectly, by such examinations, have fully vindicated the wisdom of the provision. The examiner's work is done silently, and the public are not aware of either the amount or the importance of the work done. In quite a large number of cases examinations have brought facts to light that have enabled the Comptroller to interpose in time to save banks from failure. Defalcations have been exposed; abuses, irregularities, and violations of law have been discovered and corrected.

The compensation allowed by law is totally insufficient to pay the right kind of men to undertake this duty. The labors of examiners are very severe, involving work by day and travel by night; while the rigid and careful scrutiny required to investigate fully the condition and accounts of the banks is wearying and exhausting. In New York, Boston, and Philadelphia, the banks have cheerfully acknowledged the value and efficiency of examinations, by making voluntary provision somewhat commensurate with the arduous nature of the work and the importance of the results attained.

An increase in the amount of their compensation is a matter of necessity as well as a matter of justice; and Congress is urged to make provision for that purpose. All the expense involved in these examinations is now defrayed by the banks, under the law, and no appropriation of the public moneys will be necessary. An increase in the rate of compensation should be authorized by law, and provision made for its assessment upon the several banks examined, in proportion to the time and labor spent in the examination.

#### SALARIES.

In the organization of the National Currency Bureau, the Comptroller was authorized to "employ, from time to time, the necessary clerks to discharge such duties as he shall direct, which clerks shall be appointed and classified by the Secretary of the Treasury in the manner now provided by law."

Under this provision of law the highest salaries that could be paid were already fixed by laws passed nearly seventeen years ago. Perhaps in the beginning such provision was adequate for all practical purposes; but as the nature of the duties to be performed became more arduous, and the responsibilities greater, more difficulty has been experienced in securing the services of competent men in the various positions to be filled.

The leading places in this office, now filled by clerks receiving salaries of \$1,800, require abilities of a high order and integrity of the most undoubted character—abilities and integrity that in other pursuits command much higher compensation. The salaries paid by banks to officers, for the performance of duties no more difficult and no more responsible than those devolving upon the clerks in this office, are from one hundred to three hundred per cent. greater. The consequence has been that, even after the services of the right kind of men have been secured by a course of instruction and training, the higher prices offered by private interests outside of the department constantly draw them from the department, and leave the same difficulties to be again encountered.

It seems to me evident, if the salaries fixed seventeen years ago were not then too high, when all the necessities of life were much cheaper than now, that at the present time they are totally inadequate, in view of the enormous advances in the expense of living. It is not wise to place men upon a salary meagre and barely sufficient to furnish the necessities of life—perhaps even insufficient for that—in positions of responsibility where the most thorough integrity is required. It is exposing them to temptations to which they ought not to be subjected. And I earnestly recommend a general increase of salaries, and especially an increase in the salaries of those men who have the most important positions in the bureau.

The salary of the Deputy Comptroller is not equal to the importance



and responsibility of his position. It is less than that now paid to men in the office of the Treasurer of the United States, whose positions are no more responsible and no more important, and very much less than the salaries paid by banking institutions in the large cities.

The position of the cashier of the division of issues is also one of labor and responsibility, as is that of the cashier of the division of redemptions.

The division of reports requires for its chief a man of peculiar qualifications. It is his duty to examine all reports received from the national banks, and he has charge also of all the correspondence growing out of them. The position is one of great labor, requiring no ordinary judgment and skill.

The various accounts kept in the office are extensive and complicated, requiring vast labor and skill.

The correspondence of the office is very extensive, and cannot be carried on as a mere matter of routine. It requires knowledge, intelligence, and ability to conduct it properly.

I would recommend that the Deputy Comptroller should be paid a salary of \$3,500; the head of each division \$2,400; two correspondents \$2,200 each; and two book-keepers \$2,000 each.

I do not think the government would lose anything by a fair compensation for honest labor. The duties would be more ably and satisfactorily performed, and the efficiency of the public service would be increased.

#### CENTRAL REDEEMING AGENCY.

The recommendation contained in my last annual report, looking to the establishment of an agency in the city of New York in the interest of the national banks, owned and controlled by them, for the redemption of all their issues and for the transaction of all their business, is again submitted to the consideration of Congress.

Careful observation and study during the year have confirmed the opinion then expressed as to the practicability and usefulness of such an institution. In the first place, it would be the clearing-house for all the bank circulation in the country—the reservoir to which it would flow, and from which it would be distributed again whenever and where ever needed.

A common misapprehension prevails as to the effect or practical result of general and uniform redemptions in New York, the impression being that such an arrangement would be onerous upon the country banks, and would compel them to pay tribute to that city. No apprehension could be more unfounded. As long as every bank redeems independently at its own counter, or at the nearest redemption city—Cleveland, Pittsburg, Cincinnati, or St. Louis, and *not* in New York—funds that are par, that will pay debts in the latter city, will command a premium; and the old-time system of assorting and returning the notes of country banks for the purpose of procuring New York exchange, will be renewed. The brokers, finding they can make a profit in this way, will divide the territory between them, and will compel the banks to supply themselves regularly with gold and exchange to meet their demands.

On the other hand, if all agree to establish their own agency in New York, to take care of and to protect their own notes, all currency will be par in New York. There will be no running upon the banks, for there will be nothing to gain by it. A certain amount of currency will

always be required to transact the business of the country, and this will be furnished proportionately by all the banks. The excess of circulation, only, over and above this amount, will have to be redeemed; and this excess will also be equally apportioned to all the banks. So that, by the adoption of one general agency, as proposed, every bank in the country will have its just proportion of the benefit to be derived from the circulation; sharing also, in the same proportion, in the expense of redeeming any excess that there may be from time to time. And that is all there is in a uniform system of redemption in New York—equal rights and equal privileges to all, special hardships or heavy expense to none.

While such would be its salutary effect upon the banks, the people at large would rejoice in a currency of uniform value all over the country. All inconveniences growing out of local values would disappear, and we should have a truly *national* currency.

The proposed agency, being controlled and managed by the joint banking interests of the country as their own fiscal agent, would necessarily be a highly conservative institution, which would operate as a check upon the speculative tendencies of the times, and exercise a healthful influence upon the interests of trade. The banks would attend to their own business in New York, thus saving the expenses and profits heretofore paid to their correspondents; and they would have the satisfaction of knowing that their reserve funds, upon which so much depends, were not risked in Wall street speculations, or used in a manner detrimental to the public interests.

#### INTEREST ON DEPOSITS, AND CALL LOANS.

It is a common saying among bankers, when speaking of governmental supervision, "Take care of the currency; make that as secure as possible, but do not interfere with the *business* of the banks."

As far as practicable, business *should* be left free and untrammelled; but, in this country, the business of issuing circulating notes is so involved with the lending of money; the ability to redeem on demand is so dependent on the amount of reserve kept on hand, and the character of the loan, that it is impossible to apply safeguards to the currency, without applying prudence and reasonable restrictions to the business of lending. If a bank pledges its capital by the deposit of bonds for the redemption of its circulation, it must so use that circulation as not to lose it; so invest it as to have it coming back with a profit; must use it judiciously, and safely, so that it will protect itself.

The government, in delegating the power to issue notes, has the right to prescribe the conditions upon which they shall be issued. If harsh or unnecessary conditions are imposed, they should be abrogated. If the conditions are wise and wholesome, they should be honestly observed. In prescribing rules, reference should be had to the object to be attained by the organization or incorporation of banking institutions. A charter to carry on the business of banking does not give power to buy and sell real estate, to ship goods to a foreign port, or to *engage in, or promote, any speculative operation*. The business of banking, properly conducted, is just as sure, and just as safe, as any other business; but it must be confined to its proper and legitimate sphere.

In the case of an incorporated banking association, its powers are prescribed in its charter. The law for the organization of national banks defines their powers with precision. They are empowered to exercise, under the act, "all such incidental powers as shall be necessary to carry

on the business of banking, by discounting and negotiating promissory notes, drafts, bills of exchange, and other evidences of debt; by receiving deposits; by buying and selling exchange, coin, and bullion; by loaning money on personal security; by obtaining, issuing, and circulating notes," &c.—from which it will be seen that national banks are authorized, among other things, "*to receive deposits*;" that is, when money is brought to them, they are authorized to receive it.

They are not, however, authorized to *hire* deposits, and the law does not contemplate that they should solicit loans, under the guise of deposits, by the offer to pay interest on them. This practice, however, prevails extensively; and although, by implication, the law forbids it, the prohibition is not sufficiently explicit or positive to prevent it. The evil of the practice is this: All the banks in the leading cities, and nearly all the country banks, keep balances in New York, which by law constitute a portion of their reserve. The offer of interest on these balances is an inducement to keep as large a portion of their reserve on deposit in New York as the law will allow. Banks in the leading cities—which are named in section thirty-one of the act—are permitted to keep one-half their reserve in New York; and all other banks are permitted to keep three-fifths of their reserve there.

If, then, New York banks pay interest on these deposits, they must, of course, use them; and, as they are payable on demand, they must be loaned on call. Call loans, as a rule, are made to brokers and operators in stocks and gold. Men engaged in trade cannot ordinarily afford to borrow money which they may be called upon to refund at an hour's notice.

It is, moreover, a prevalent opinion in the large cities that a large call loan is a good thing for a bank to have—that it makes a bank strong; and bank officers exhibit with evident satisfaction a large proportion of their loan payable on demand. And why? Money loaned on call is loaned at a lower rate of interest than when time is specified, and therefore cannot be more profitable. The truth is, they have a large deposit, upon which they are paying interest, that may be checked out at any moment. They are obliged to get something for the use of their money, but are afraid to give time, and so have to lend on call at low rates. They know their weakness in this respect, and feel obliged to fortify. The fortifications are, perhaps, the best possible; but if there were no weak points, there would be no danger to guard against. Perfect immunity from danger is better than the strongest fortification against an ever impending danger.

The most objectionable feature of the whole transaction, however, lies in the fact that the facility with which large loans can be effected, payable on call at low rates of interest, while commercial paper is only done at high rates, or is declined altogether, fosters speculation. Paragraphs like the following may be found in the money articles of the New York papers almost every day: "Money was fairly active on call at six to seven per cent.; commercial paper very dull; prime names ten per cent. to fifteen per cent.;" which means, money for speculation, six to seven per cent.; money for trade, ten to fifteen per cent.

Call loans are a necessity, when interest is paid on deposits. Competition for the accounts of country banks has led to the payment of interest. The New York banks see and deprecate the evils of the practice. They have several times attempted to put an end to it; but there will always be one or more banks which see their opportunity in such an effort, and will refuse to come into any arrangement intended to put a stop to it. The fact that the reserves of the country are hawked on the

street, and are tendered and used for speculation, is sufficient ground for an interference of the law.

#### INTEREST, TAXES, AND PROFIT.

A bank that has its capital invested in interest-bearing securities, upon deposit of which it obtains an issue of circulating notes—which notes are to be used in its banking operations as money—can afford to lend its money at lower rates of interest than a bank that issues no notes for circulation, but lends its capital directly to its customers. The bank with circulation derives a portion of its profit from the interest on its securities, and a portion from its customers; while the bank without circulation derives all its profit from its customers. The delegation by the government to banking associations of the power to issue notes to circulate as money, therefore, has a tendency to lower the rate of interest, and so to furnish cheap money to the business community.

That this is actually the case will appear upon investigation. The incorporated bank, doing business, and issuing circulation under the authority of the government, is uniformly regarded as the most reliable and reasonable source of accommodation by the business community. The private banker, depending upon the active use of his capital for his profit, must charge a much higher rate of interest to realize the same relative profit, supposing, of course, that the deposits of the two institutions are equal. A bank with \$100,000 capital invested in securities bearing six per cent. interest, upon which it has received \$90,000 in circulation, can lend that \$90,000 at seven per cent., and yet realize a profit of \$12,300 on its capital. The private banker, lending his capital of \$100,000 directly, must charge his customers *twelve per cent.* to realize the same profit as the bank. The merchant and the tradesman know this, and expect to pay about that difference for the use of money when their necessities compel them to resort to private bankers or brokers.

The government, therefore, confers a greater boon upon the business public, by enabling it to borrow money at moderate rates of interest, than is generally realized or admitted. If all the banks were deprived of their circulation during the coming year, by act of Congress, the rates at which money could be borrowed in most sections of the country would be nearly doubled. The assumption by the government of the sole power to issue circulating notes would in no wise furnish relief. The United States can get its notes into circulation by paying them out for its expenses, and in payment of its debts. Not being able to do a banking business, however, it cannot lend them as a bank can, but would have to pay them out to its creditors, and, in the end, the notes would come into the hands of capitalists, who would lend them to the people at high rates of interest.

Taking the country as a whole, government and people as one, the profit gained by the government on the issue of its own notes—or, to use an expression in common use, the amount saved by the use of its own notes as a loan without interest—would not compensate for the additional tax upon the business of the country, caused by the advance in the rates of interest which would be likely to follow such a change in the circulation.

The amount loaned by the national banks to the business interests of the country will average about seven hundred millions; and for every addition of one per cent. to the rate of interest, a tax of not less than seven millions would be imposed on the business of the country. An increase of five per cent. to the rate of interest would make the tax not

less than \$35,000,000. This would be the actual money tax. But the depression caused by this additional burden, while it would be a very serious drawback to the prosperity of the country, could not well be estimated in money. As a general thing, national banks lend money to their customers at about the legal rates; though, of course, there are exceptional cases.

Heavy taxation, also, is a burden on the business of the country; and like every other item that enters into the expense of conducting any business, the burden is borne in the end by the customer, or consumer. The tax upon gas companies, for instance, is added to the monthly bill of every consumer; and the tax upon banks is merely the addition of something to the rate of interest. Within a certain limit the tax is proper and legitimate. Every business should bear its share of the public burden; and if the rates are equitably and wisely adjusted, no complaint can be made. But in many sections the local taxation growing out of the expenses of the war is so high, as, when added to the United States taxes, to absorb a large proportion of the profits of the banks. Limited by law to the legal rate of interest, the bank must wind up, or its shareholders must be content with meagre dividends. Some banks in this predicament have actually taken the necessary steps to close up their affairs. Others, probably, have resorted to usury to increase their profits to the paying point.

Banking systems had been in operation in several States for a number of years before the war, that issued circulation based upon a deposit of State or United States bonds; and there was no limitation to the number of such banks, or to the amount of circulation they might issue. The deposit of United States bonds required as security for the circulation of national banks is nothing new, either in theory or practice. The fact that the United States paid the interest on its bonds in gold, which gold was sold by the banks at a premium, enabled them to make larger profits than were accustomed to be realized by State banks formerly doing business under similar circumstances. And the additional fact that the amount of circulation that could be issued by national banks was limited to \$300,000,000—giving to the system the semblance of a monopoly—operated to produce an impression in the public mind that national banks were mines of wealth, realizing to their stockholders fabulous dividends. Some of the earlier banks, which sold their gold interest at from 100 to 180 per cent. premium, and which sold five-twenty bonds for the agents of the government to the amount of millions, probably did realize very large profits. But that day has passed.

The average dividends made by the banks during the last year will probably not exceed ten per cent. upon their capital, after deducting taxes and expenses. And as the premium on gold shall diminish, and the national banking system shall be made free to all who are able and choose to comply with its conditions, the average profit will conform to the law which governs all business. It will be a fair living profit, and no more.

#### SOUND CURRENCY.

The currency constitutes a very important part of the financial system of any country. Without a sound currency, a healthy financial condition is impossible. There are two requisites to a sound currency: convertibility and elasticity, and either of the two involves the other. The present currency of the United States possesses neither of these requisites. During the past year it has neither increased nor diminished, but

stands about as it did this time last year\*—\$390,000,000 issued by the government, and \$300,000,000 issued by the banks—neither redeemable nor convertible into anything more valuable, and therefore not susceptible of reduction by any ordinary process; each issued to the full limit allowed by law, with no power of expansion. The whole amount must be employed, whether it is wanted or not, and the limit cannot be exceeded, no matter how urgently more may be required. During the summer months, when there is rest in almost all branches of trade, the whole circulation was in market seeking employment; and now that autumn has come, with its bounteous harvests, when the farmer seeks to realize in money the reward of his labor and the interest of his capital for the whole year, when hundreds of millions must be distributed throughout the length and breadth of the land, we have the same unvarying amount of currency to use.

There are two kinds of currency in use: one issued directly by the government; the other issued by the banks. One kind would seem to be enough. The best should be preserved and perfected; the other withdrawn.

Applying the test first to the government issues, it is noted at once that they are not redeemable, and that no provision has ever been made for that purpose. The very moment they are made redeemable, they will cease to answer the purposes of currency; for, after they are redeemed, they are in the treasury and cannot again be paid out, except upon appropriations made by law, in accordance with the constitutional provision, and consequently cannot again be put in circulation, except as disbursements may be necessary to pay expenses and debts of the government. So that government circulation is not convertible, and therefore is not elastic, and cannot be made so without first making a radical change in the organization of the United States treasury, by which it should be converted into a huge banking institution calculated to receive deposits, make loans, and otherwise perform the functions of a national bank.

The notes issued by national banks are nominally redeemable; and, if the legal-tender notes were out of the way, would be actually so, and, being issued by institutions in sympathy with trade, would contract and expand in obedience to the law of supply and demand, so that they would also possess the element of elasticity.

As to the comparative merits of the two kinds of currency, an impartial consideration would probably decide in favor of a bank circulation, principally because it would possess the power of adapting itself to the exigencies of trade. If government issues could be made to possess the same power of adaptation, the verdict would be in their favor. A candid investigation, however, cannot fail to develop the fact that there is no branch of the fiscal service adequate to the direct issue and care

*\*Statement of United States currency for 1868 and 1869.*

November 1, 1868.		November 1, 1869.	
Legal tenders.....	\$356, 021, 073	Legal tenders.....	\$356, 113, 268
Fractional currency.....	33, 413, 965	Fractional currency.....	37, 035, 442
	389, 435, 038		393, 148, 700
			389, 435, 038
Total increase.....			3, 713, 662
Increase of legal tenders.....			92, 125
Increase of fractional currency.....			3, 621, 437

of such a currency as the country requires. The treasury system is so arbitrary in its collections and disbursements, so little in harmony with the business interests of the community, that it frequently absorbs large amounts of currency at most inopportune seasons, and disburses them with just as little regard to the wants of trade. If the treasury were redeeming its issues, large amounts would be presented for payment when money was plenty ; but, as the return of this money to the channels of trade would depend upon the disbursements of the government, there could be no certainty that it would find its way back again when needed. In fact, the current operations of the treasury of the United States are regarded by business men as constituting a powerful, and, at the same time a very uncertain element, difficult to estimate, but which must necessarily be taken into consideration in all their business transactions. It is but justice, however, to say that the inconveniences and defects inherent in the present system have been obviated as far as possible by the present administration of the department, and where they could not be obviated entirely, they have been reduced to a minimum.

So long, therefore, as the collection of the revenues is liable to be a process of contraction, and their disbursement a process of inflation, the agencies through which collections and disbursements are effected cannot be regarded as suitable agencies for furnishing a sound currency to the people.

The argument that the government should furnish the currency in order that it may realize the profit upon its circulation is a common one, but will not bear scrutiny. There is no profit to the government on the circulation of an inferior currency. Only a sound currency will promote the material prosperity of the people ; and the government can realize no profit from anything detrimental to their interests. As a currency, therefore, government issues are not profitable. As a loan without interest they are equally unprofitable, because they are injurious to the national credit, and add enormously to the expenses of the government.

If, however, it is impossible for the government to comply with the conditions necessary in order to furnish a sound currency, it can at least provide for the withdrawal of its own notes, and prescribe the conditions upon which, and the agencies through which, a better currency may be provided. As before stated, there should be but one paper currency in the country, and that should emanate from a source that is influenced by, and is amenable to, the laws of trade. No check or limitation should be imposed upon it, other than the law of supply and demand.

#### FREE BANKING.

The banking system now in operation under the act of Congress, is doubtless an improvement upon the condition of things that prevailed prior to its inauguration. It may have imperfections, but most of them can be traced to the evils of an irredeemable currency. Abuses of various kinds are practiced, or tolerated, during a suspension of specie payments, that would disappear of themselves in a healthier financial atmosphere ; and as observation and experience bring to light defects, they may be corrected by judicious legislation. Any radical changes now would affect so many and such great interests, that it would be safer and wiser to build upon and improve the present system, so as to bring it fully up to the requirements of the age and the country, than to undertake to build up a new one. It may be made the means of supplying a

safe, convertible, and elastic currency in any volume that may be required by the business of the country.

No human intelligence can fix the amount of currency that is really needed; for it is continually varying, and is never fixed. If Congress limits the amount, there will always be those who will be dissatisfied, and who will seek legislation either for the purposes of contraction or expansion. And so long as the volume of currency depends upon legislative enactment, uncertainty and instability will pervade all financial operations.

If, however, notes for circulation are issued by a banking association composed of business men and capitalists, who are obliged to furnish security for the prompt and easy conversion of their issues into coin on demand, no other limit to the amount of such notes need be fixed than that imposed by self-interest. If there is a legitimate demand for currency, the notes will remain in circulation long enough to make their issue profitable. If there is not such a demand, the notes will be hurried home for conversion into coin. In this way the business demand for currency will get its supply; and the surplus, if any, will always be retired.

A self-adjusting system of currency is the only one that is adapted to the exigencies of trade, and to the wants of the country; and it is a vital question at this time, whether this result can be reached before the return of specie payments. If possible at all, it is only possible through the agency of national banks. The machinery of the government is not adapted to such ends. And further, if possible, it is so only upon the adoption of a policy which will tend gradually but surely to a resumption of specie payments. It must be the gradual development of a process which shall absorb legal tenders, and put in their place a paper currency which shall at all times and under all circumstances be exchangeable for coin, either of paper\* or of gold—a paper currency which shall gradually increase, while the legal tenders for its redemption shall gradually decrease, in such a ratio as a healthy demand for banking facilities may determine.

Where banking facilities were already abundant, there would be no inducement for the establishment of banking institutions for the issue of currency upon conditions that would inevitably diminish the volume of lawful money applicable to its redemption, and so gradually but surely enhance the cost of such redemption; while in other sections destitute in whole or in part of banking facilities for the legitimate demands of business, the necessity for banks and currency would justify the increase of bank circulation, notwithstanding the fact that by such increase the burden of its redemption would also be enhanced.

The entire South and many portions of the West are very much in need of the facilities and advantages to be derived from properly organized banking institutions, and their necessities would justify them in deliberately adopting measures to supply their wants, the direct tendency of which would be to hasten the return of specie payments in the manner indicated, to-wit, by the increase of bank notes, and the absorption of the legal-tender notes. As the former increased, the latter would diminish. As lawful money became scarce, its value would be enhanced, and would gradually approximate to par with gold. Thus specie payments may be reached through the agency of the national banks, and by the operation of natural causes. The process will not be rapid or spasmodic, because it will in all its stages, and in all its details, be governed by sound principles and conform to established laws. At

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\* Legal tenders.



the same time, the benefits and advantages of the national banking system would gradually become more equally diffused, until all sections would at length get their just and equal share, apportioned beyond cavil or objection, because regulated by the actual requirements of business.

While free banking may thus be established with safety, anterior to specie payments, conditioned only upon the withdrawal and cancellation of a legal-tender dollar for every dollar of bank currency issued, free banking upon a specie basis may also be permitted, with equal safety, and without delay. With details properly adjusted, banks may be established with authority to issue and put in circulation gold notes—limiting the amount only by the ability of the banks to comply with the necessary conditions, and to redeem their issues. Some provision of this kind is probably necessary in order to supply the Pacific and gold-producing States with a paper currency. A circulating medium, cheaper and more convenient than coin, has long been a necessity in those States, and would undoubtedly do much to promote activity, enterprise, and development. Experience has demonstrated to them that a currency composed exclusively of specie is not exempt from the fluctuations to which money and trade everywhere are subject, and has awakened an anxiety on the subject, which may lead to the introduction of paper money, if the opportunity is afforded.

By the establishment of banks on a specie basis, the resumption of specie payments is only anticipated; and familiarity with gold values will do much to relieve the subject of the mystery with which it is associated in the minds of many. Looking forward to the day when uniform values shall again prevail, it may be that, by wise legislation now, a banking system can be established, truly national in its character and scope, which will furnish a sound currency of uniform value in every State of the Union.

Respectfully submitted.

HILAND R. HULBURD,  
*Comptroller of the Currency.*

HON. GEORGE S. BOUTWELL,  
*Secretary of the Treasury.*

## APPENDIX.

*Statement showing the number of banks, amount of capital, amount of bonds deposited, and circulation, in each State and Territory, on the 30th of September, 1869.*

States and Territories.	ORGANIZATIONS.			Capital paid in.	Bonds on deposit.	Circulation issued.	In actual circulation.
	Organized.	Closed or closing.	In operation.				
Maine.....	62	1	61	\$9,185,000 00	\$8,438,750	\$7,682,256	\$7,509,196 00
New Hampshire.....	41	.....	41	4,835,000 00	4,897,000	4,394,395	4,281,195 00
Vermont.....	40	.....	40	6,810,012 50	6,338,500	5,916,800	5,751,720 00
Massachusetts.....	209	3	206	85,082,000 00	65,230,500	60,104,670	57,046,230 00
Rhode Island.....	62	.....	62	20,364,800 00	14,193,600	12,940,850	12,486,900 00
Connecticut.....	83	2	81	24,606,820 00	19,758,100	18,215,115	17,433,978 00
New York.....	315	21	294	116,284,941 00	79,096,900	76,067,510	68,553,175 00
New Jersey.....	55	1	54	11,565,350 00	10,716,450	9,736,245	9,407,115 00
Pennsylvania.....	205	8	197	50,235,390 00	44,353,500	40,769,220	38,748,606 00
Maryland.....	32	1	31	12,790,202 50	10,068,750	9,436,780	8,910,880 00
Delaware.....	11	.....	11	1,428,185 00	1,348,200	1,244,725	1,197,625 00
District of Columbia.....	6	2	4	1,350,000 00	1,337,000	1,330,500	1,039,571 00
Virginia.....	20	3	17	2,623,300 00	2,405,000	2,177,580	2,134,980 00
West Virginia.....	15	1	14	2,216,400 00	2,243,250	2,068,950	1,988,050 00
Ohio.....	138	6	132	22,954,700 00	20,642,150	19,076,260	18,405,325 00
Indiana.....	71	3	68	12,962,000 00	12,554,650	11,391,695	11,017,627 00
Illinois.....	84	2	82	12,570,000 00	11,352,850	10,315,835	9,950,375 00
Michigan.....	43	2	41	5,460,010 00	4,365,100	3,957,555	3,824,755 00
Wisconsin.....	37	3	34	2,760,000 00	2,715,650	2,626,730	2,508,102 00
Iowa.....	48	5	43	4,017,000 00	3,671,750	3,436,135	3,217,077 00
Minnesota.....	18	1	17	1,840,000 00	1,772,200	1,604,100	1,548,900 00
Kansas.....	5	.....	5	400,000 00	382,000	371,400	341,000 00
Missouri.....	20	2	18	7,810,300 00	4,786,350	4,419,170	4,164,525 00
Kentucky.....	16	.....	16	2,885,000 00	2,725,700	2,428,470	2,366,739 00
Tennessee.....	14	1	13	2,015,300 00	1,480,300	1,291,170	1,191,551 00
Louisiana.....	3	1	2	1,300,000 00	1,258,000	1,251,120	1,094,569 00
Mississippi.....	2	2	.....	.....	.....	66,000	53,383 00
Nebraska.....	4	.....	4	450,000 00	235,000	171,500	170,000 00
Colorado.....	3	.....	3	350,000 00	297,000	255,700	252,000 00
Georgia.....	9	2	7	1,600,000 00	1,383,500	1,239,900	1,234,100 00
North Carolina.....	6	.....	6	823,400 00	445,100	384,700	379,700 00
South Carolina.....	3	.....	3	823,500 00	277,000	192,500	192,500 00
Alabama.....	3	1	2	400,000 00	310,500	353,025	288,647 00
Nevada.....	1	.....	1	250,000 00	155,000	131,700	129,700 00
Oregon.....	1	.....	1	100,000 00	100,000	88,500	88,500 00
Texas.....	4	.....	4	525,000 00	472,100	429,535	407,335 00
Arkansas.....	2	.....	2	200,000 00	200,000	180,200	178,900 00
Utah.....	1	.....	1	150,000 00	150,000	135,500	135,000 00
Montana.....	1	.....	1	100,000 00	40,000	36,000	36,000 00
Idaho.....	1	.....	1	100,000 00	75,000	63,500	63,500 00
Fractional redemptions reported by the Treasurer of the United States.....	.....	.....	.....	.....	.....	.....	3 45
Total.....	1,694	74	1,620	439,163,611 00	342,475,100	317,992,516	299,789,895 45

## REPORT OF THE FIRST COMPTROLLER OF THE TREASURY.

## TREASURY DEPARTMENT,

*Office of the First Comptroller, November 4, 1869.*

SIR: The following statistical detail exhibits a summary of the business operations of this office during the fiscal year ending June 30, 1869:

There have been countersigned by the Comptroller, entered upon blot-  
ters, and duly posted, the following warrants of the Secretary of the  
Treasury, viz:

Treasury (proper).....	1,748
Public debt.....	290
Quarterly salary.....	1,236

Diplomatic.....	1,940
Treasury (Interior).....	2,852
Treasury (customs).....	3,838
Treasury (internal revenue).....	7,075
War, pay warrants.....	5,570
War, repay.....	1,235
Navy, pay.....	1,452
Navy, repay.....	351
Interior, pay.....	1,569
Interior, repay.....	107
War, civil.....	66
Treasury, appropriation.....	25
Treasury (Interior) appropriation.....	19
Customs, appropriation.....	11
Interior, appropriation.....	53
War and Navy, appropriation.....	24
Land, covering.....	532
Customs, covering.....	1,641
Internal revenue, covering.....	3,373
Miscellaneous, covering.....	3,753
	<hr/>
	38,569

The First and Fifth Auditors of the Treasury, the Commissioner of the General Land Office, and the Commissioner of Internal Revenue have transmitted to this office the following accounts, which have been revised; and the balances found to be due thereon duly certified to the Register of the Treasury:

Judiciary, embracing the accounts of the United States marshals for their fees, and for the expenses of the United States courts in their respective districts; of the United States district attorneys, and of the commissioners and the clerks of United States courts.....	\$1,415
Public debt, embracing accounts for the redemption of United States stock and notes, interest on the public debt, United States Treasurer's accounts, United States Assistant Treasurers' accounts, and matters appertaining.....	946
Mint and its branches, embracing accounts of gold, silver, and cent bullion, of salaries of the officers, of the ordinary expenses of coinage, &c.....	143
Public printing, embracing the accounts for the public printing, for binding, and for paper.....	\$109
Territorial printing, embracing the accounts for the paper, printing, and binding of the Territorial legislatures.....	36
Congressional, embracing the accounts for the contingent expenses of the Senate and the House of Representatives.....	55
Land, embracing the accounts of the registers and receivers of land offices, of surveyors general and their deputies, and of land erroneously sold.....	1,891
Steamboats, embracing accounts for salaries and incidental expenses of inspectors of steamboats.....	486
Diplomatic and consular, embracing accounts arising from our intercourse with foreign nations, expenses of consuls for sick and disabled seamen, and of our commercial agents in foreign countries.....	1,642
Collectors of internal revenue, embracing their accounts for the collection of the internal revenue, and the necessary disbursements connected therewith.....	2,840
Commissioner of Internal Revenue, embracing accounts for the refunding of taxes illegally collected, (1,996 claims).....	59
Revenue agents and inspectors, embracing their accounts for necessary expenses and disbursements.....	594
Assessors of internal revenue, embracing their accounts for their commissions and the expenses of levying the internal tax.....	1,042
Drawbacks, embracing accounts arising from claims for drawbacks connected with the internal revenue.....	1,062
Miscellaneous, embracing the accounts of disbursing agents, the salaries of judges and the officers of the United States courts, of claims for informers' rewards under the internal tax law, &c., &c.....	2,396
Territorial, embracing accounts for the legislative expenses of the several Territories, the salaries of the officers and incidental expenses of the governments thereof.....	286
Letters written on official business.....	10,896

Receipts for collectors of internal revenue tax lists examined, registered, and filed .....	\$3, 517
Official bonds examined, registered, indexed, and filed .....	513
The following requisitions have been duly examined, entered, and reported on, viz:	
Diplomatic and consular .....	609
United States marshals .....	217
Collectors of internal revenue .....	2, 669—3, 695

The work of this office continues steadily to increase, and there is no probability that, for a long time to come, it will diminish either in importance or magnitude.

I again bear willing testimony to the ability, industry, and efficiency of the clerks and other employes of the office, and in this connection I would respectfully call your attention to the recommendations and remarks in my report of November, 1867.

Respectfully submitted.

R. W. TAYLER, *Comptroller.*

Hon. GEORGE S. BOUTWELL,  
*Secretary of the Treasury.*

## REPORT OF SECOND COMPTROLLER OF THE TREASURY.

TREASURY DEPARTMENT,  
*Second Comptroller's Office, October 15, 1869.*

SIR: I have the honor to submit the following detailed statement of the business operations of this office for the fiscal year ending June 30, 1869.

The aggregate number of accounts of disbursing officers and agents which have been received, as well as those which have been finally adjusted, is as follows:

	Received.	Revised.	Amount.
From the Second Auditor .....	3, 135	3, 114	\$198, 448, 767 18
From the Third Auditor .....	4, 497	4, 736	554, 601, 962 88
From the Fourth Auditor .....	393	367	54, 633, 495 08
	8, 025	8, 217	807, 684, 225 68

The above accounts have been duly entered, revised, and the balances found thereon certified.

Character of account.	Received.	Revised.	Amount.
FROM THE SECOND AUDITOR.			
Accounts of disbursing officers of the War Department, for collecting, organizing, and drilling volunteers .....	296	290	\$2, 532, 565 09
Paymasters' accounts, for the pay and rations, &c., of officers and soldiers of the army .....	1, 066	1, 079	168, 293, 876 14
Accounts of army recruiting officers, for clothing, equipments, and bounty to recruits, &c. ....	265	232	1, 638, 070 91
Ordnance, embracing the accounts of disbursing officers of the Ordnance Department, for arsenals, armories, armaments for fortifications, arming militia, &c. ....	148	154	9, 306, 712 11
Indian Department—accounts of Indian agents, including the pay of Indian annuities, presents to Indians, expenses of holding treaties, pay of interpreters, pay of Indian agents, &c., and the settlement of personal claims for miscellaneous services of agents and others in connection with Indian affairs .....	607	610	5, 766, 657 00

1 *Aggregate number of accounts of disbursing officers and agents, &c.—Continued.*

Character of account.	Received.	Revised.	Amount.
Medical and hospital accounts, including the purchase of medicines, drugs, surgical instruments, hospital stores, the claims of private physicians for services, and surgeons employed under contract.....	467	462	\$4,053,015 94
Military Asylum.....	16	16	270,948 00
Contingent expenses of the War Department.....	192	215	1,182,267 36
Secret service.....	6	6	14,654 12
<b>Total</b> .....	<b>3,135</b>	<b>3,114</b>	<b>198,448,767 18</b>
<b>FROM THE THIRD AUDITOR.</b>			
Quartermasters' accounts, for transportation of the army, and the transportation of all descriptions of army supplies, ordnance, and for the settlement of personal claims for services in the Quartermaster's Department.....	2,950	3,397	516,487,025 00
Commissaries' accounts, for rations or subsistence of the army, and for the settlement of personal claims for services in the Commissary Department.....	1,013	814	7,319,159 08
Accounts of pension agents, for the payment of military pensions, including the entries of the monthly reports of new pensioners added to the rolls, and the statements from the Commissioner of Pensions respecting the changes arising from deaths, transfers, &c., and for pension claims presented for adjustment.....	389	385	15,612,333 63
Accounts of the Engineer Department, for military surveys, the construction of fortifications, for river and harbor surveys and improvements.....	95	87	11,731,311 00
Accounts for the relief of freedmen and refugees.....	50	53	3,452,136 97
<b>Total</b> .....	<b>4,497</b>	<b>4,736</b>	<b>554,601,962 82</b>
<b>FROM THE FOURTH AUDITOR.</b>			
Quartermasters of the Marine Corps, embracing accounts for the expenses of officers' quarters, fuel, forage for horses, attendance on courts-martial and courts of inquiry, transportation of officers and marines, supplies of provisions, clothing, medical stores, and military stores for barracks, and all incidental supplies for marines on shore.....	6	6	382,932 99
Accounts of paymasters of the Marine Corps, for pay and rations of the officers and marines and servants' hire.....	3	3	468,839 55
Paymasters of the navy: accounts for the pay and rations of officers and crew of the ship; supplies of provisions, of clothing, and repairs of vessels on foreign stations.....	228	213	14,509,809 05
Paymasters at navy yards: accounts for the pay of officers on duty at navy yards, or on leave of absence, and the pay of mechanics and laborers on the various works.....	50	46	22,683,469 00
Navy agents' accounts, for their advances to paymasters, purchases of timber, provisions, clothing, and naval stores.....	57	54	15,143,366 09
Navy pension agents' accounts, for the payment of pensions of officers and seamen, &c., of the navy, and officers and privates of the Marine Corps.....	49	45	445,086 03
<b>Total</b> .....	<b>393</b>	<b>367</b>	<b>54,633,495 06</b>
<b>CLAIMS REVISED DURING THE YEAR.</b>			
Soldiers' pay and bounty.....	62,794	61,521	6,390,904 13
Sailors' pay and bounty.....	1,450	1,573	201,422 12
Prize money.....	2,996	3,490	209,758 58
Contract surgeons.....	479	481	40,396 14
Property lost in the military service.....	781	797	408,938 09
Horses lost in the military service.....	791	791	90,276 70
Oregon and Washington Territory war claims.....	119	120	25,213 00
Of states for enrolling, subsisting, clothing, supplying, arming, equipping, paying, and transporting their troops in defense of the United States.....	18	18	1,027,340 00
Subsistence.....	277	268	53,571 06
<b>Total</b> .....	<b>69,705</b>	<b>69,059</b>	<b>8,447,909 78</b>
Referred cases.....	2,048	2,048	

Number of settlements for the fiscal year ending June 30, 1869.....	6,787
Number of accounts on hand at the commencement of the fiscal year, July 1, 1868.....	5,860
Number of accounts on hand at the close of the fiscal year, June 30, 1869.....	2,039
Number of letters written on official business.....	1,01

*Number of requisitions recorded during the year.*

Kind of requisition.	War.	Navy.	Interior.	Total.
Accountable .....	968	1,054	679	2,701
Refunding .....	1,237	701	56	1,994
Settlement .....	3,862	236	772	4,870
Transfer .....	744	386	150	1,280
	6,811	2,377	1,657	10,845

Number of contracts, classified as follows:

Quartermaster's Department .....	908
Charter-parties .....	6
Engineer Department .....	87
Indian Department .....	28
Freedmen's Bureau .....	11
Ordnance .....	2
Navy Department .....	144
Adjutant General .....	40
Commissary of Subsistence .....	412
Surgeons .....	23
Total .....	1,661
Official bonds filed .....	103
Pensions recorded .....	38,858

Respectfully submitted:

J. M. BRODHEAD, *Comptroller.*

Hon. GEORGE S. BOUTWELL,  
*Secretary of the Treasury.*

## REPORT OF THE COMMISSIONER OF CUSTOMS.

### TREASURY DEPARTMENT,

*Office of Commissioner of Customs, October 15, 1869.*

SIR: I have the honor to present to you my annual report for the year ending June 30, 1869.

The number of unadjusted accounts, exclusive of warehouse accounts in the office July 1, 1868, was .....	177
The number received during the year .....	6,396
	6,572
The number adjusted during the year .....	6,329
The number returned to First Auditor .....	49
The number remaining on hand June 30, 1869 .....	194
	6,572

These accounts involve the following receipts:

On account of customs .....	\$180,048,426 63
On account of fines, penalties, and forfeitures .....	734,415 57
On account of steamboat inspectors .....	200,843 22
On account of storage service, United States officers, &c. ....	327,551 18
	181,311,236 60
On account of official fees .....	580,595 67
Total .....	181,891,832 27

## And the following expenditures:

On account of expenses in collecting the revenue from customs.....	\$5,581,636 00
On account of light-house establishment.....	2,381,986 65
On account of pay excess of deposits refunded.....	2,342,330 23
On account of expenses of revenue cutter service.....	1,216,321 45
On account of expenses building and repairing custom-houses, &c....	1,065,935 36
On account of payment of debentures.....	793,646 30
On account of marine hospital establishment.....	420,849 52
On account of shares of fines distributed.....	277,079 20
On account of captured and abandoned property.....	57,835 12
On account of furniture and repairs of same for custom-houses, &c....	39,219 70
On account of debentures and other charges.....	22,996 11
On account of proceeds sales of goods.....	18,683 09
On account of refunding money erroneously covered into the treasury.	20,669 10
On account of refunding duties.....	12,426 92
On account of unclaimed merchandise.....	12,327 58
On account of janitors for Treasury Department.....	7,638 66
On account of examiner of drugs.....	3,000 00
On account of tax on salaries.....	832 31
On account of miscellaneous.....	698 20
	<hr/>
	14,266,031 46

The number of estimates received was.....	2,216
The number of requisitions issued.....	2,181
Amount remitted.....	\$9,664,451 38
The number of letters received.....	10,963
The number of letters written.....	10,897
The number of letters recorded.....	8,587
The number of returns received and examined.....	3,639
Total amount involved in the above statement is.....	\$205,822,315 11
Average number of clerks employed.....	27

## WAREHOUSE AND BOND ACCOUNTS.

During the year ending June 30, 1869, 825 warehouse and bond accounts have been examined and adjusted, 1,045 letters have been recorded, and 302 letters have been written in relation to those accounts. A summary of the transactions for the fiscal year ending June 30, 1869, cannot be stated, as the large ports are yet in arrears in transmitting their accounts for adjustment. I herewith transmit a summary of the warehouse transactions of the several districts and ports in the United States, for the year ending June 30, 1868, except the district of New York, which embraces only six months from first January to June 30, 1868, being the first return received from that district, and to which is added the unadjusted transactions for six months ending December 31, 1868.

## BLANK BOOKS AND BLANKS.

From the organization of the Treasury Department down to within a few months, the preparation and purchase of all books and blanks used in the different custom-houses in the United States have been left to the discretion and choice of collectors and other officers of customs. Of course there was little uniformity in the books and blanks used at different ports. In many cases large quantities of these articles have been procured at very high rates, and it not unfrequently happened that many of these proved to be useless; and the result has been, that large quantities of utterly worthless books and blanks have accumulated at some of the custom-houses; they are of no value whatever, except to go to a paper-mill to be worked up. As a general rule these books were made of inferior paper, and the binding was such that they were

unfit for public records, and had often to be rebound that they might be preserved. The blanks were usually of a similar material.

With a view to bring about uniformity in the keeping of the accounts, and in the blanks used at the various custom-houses, and also to effect an improvement in the quality of this kind of stationery, and in the belief, let me add, that a very considerable saving of expense could be effected, I had the honor to recommend and prepare a section of a bill in 1866, which became a law on the 5th July, 1866, requiring all blank books and blank forms, of every kind used by customs officers, to be printed under the direction of the Secretary of the Treasury, and furnished to collectors and other officers of the customs upon their requisition.

This act has never heretofore been carried into effect, but the duties devolved by it upon the department were, a few months ago assigned very properly to this bureau, since which time the utmost diligence has been used in preparing the forms, &c., for the public printer, receiving from him and distributing to customs officers, upon their requisitions, the books and blanks needed.

The following is a statement of the books and blank, which have been prepared, and are now being printed at the Government Printing Office, for the use of appraisers, naval officers, surveyors, and collectors of customs, viz :

	Books.	Blanks.
Foreign and domestic commerce.....	850	735, 560
Entry and appraisement.....	564	256, 066
Warehousing.....	1, 835	660, 500
Steamboat inspection.....	100	3, 008
Collectors' accounts.....	815	328, 156
Marine hospitals.....	100	26, 080
Fines, penalties, and forfeitures.....	500	69, 560
Revenue cutter service.....	50	5, 000
Cigar and tobacco inspection.....	20	6, 000
Deceased passengers.....	25	2, 508
Repairs of public buildings and furniture.....	100	8, 008
Naval officers.....	95	54, 150
Miscellaneous books and blanks.....	300	41, 080
	5, 364	2, 190, 300

In the preparation of these books and blanks, the following considerations have been kept constantly in view :

First. To secure, so far as it is possible, a uniform system of custom-house bookkeeping throughout the collection districts in the United States.

Second. To dispense with all books and blanks that are not absolutely needed to properly conduct the public business.

Third. To simplify the method of keeping books, and making up accounts and returns to the department.

From an estimate that has been made at the Government Printing Office, it is believed that the whole work of printing and binding will not exceed the sum of \$80,000, or less than the expenditure for books and blanks for custom-houses for the year ending June 30, 1869, though the quantity prepared for distribution is sufficient, it is believed, to supply the demand for two or three years to come. The material and workmanship of these books and blanks are of the very best, and do great credit to the Superintendent of Public Printing, Mr. Clapp. As an economical measure, I am happy to say it is a complete success.

To perform the labor devolved upon this bureau, by the transference to it of the duty of preparing and supervising the printing of the books and blanks, and the care and distribution of them, from time to time,



upon the requisition of customs officers, will require two additional clerks and two additional messengers.

#### CAPTURED AND ABANDONED PROPERTY DIVISION.

In the division of captured and abandoned property, and internal and coastwise commercial intercourse, the number of accounts received was 285; accounts adjusted, 286; amount, \$4,765,964 57; accounts returned to Auditor, 6; accounts reported to the Auditor for statement, 61; accounts re-examined, 65; accounts recorded, 287; reports written, 50; letters written, 205; letters recorded, 398; papers copied, 32; papers transmitted, 340; letters indexed, 4,870.

The adjustment of money accounts, in which there was a very large amount of difference, amounting in the aggregate, in five accounts, to \$376,210 44, has added very materially to the labor of the division; yet notwithstanding the clerical force was reduced during the year, a much larger number of accounts was adjusted than during any previous year since its organization, being three times the number which were adjusted during the previous fiscal year.

#### REVISION AND CODIFICATION OF THE REVENUE LAWS NEEDED.

I have in former reports brought to the notice of the Secretary, and of Congress, the great necessity which exists of revising and codifying the customs revenue laws. They are intricate, complicated, disjointed, and, as one of the judges of the Supreme Court has said, "the most difficult to comprehend in the statute-book."

The customs revenue system, as organized by that remarkable man, General Hamilton, and as it is portrayed in the two acts of March 2d, 1799, and previous acts, was as nearly perfect as the human mind could conceive, as adapted to the contemporary condition of the country and our infant commerce; but the country has since undergone extraordinary changes, and changes in the laws have kept pace with, and in some instances outstripped, the occasions calling for them. In many instances they have been of a character not in accordance with the original system, but quite incongruous with it, until these laws have become what they have been described by high authority.

Aside from this objection to the laws as they now stand, there are many cases arising in the customs operations which are entirely unprovided for, and which have to be treated in an arbitrary manner, according to the circumstances of each case; necessity being the controlling power.

I respectfully recommend that the laws relating to and fixing the compensation of collectors, naval officers, and surveyors be revised. Under the present condition of the laws the compensation of the two latter officers is only equal to that of their deputies, and wholly inadequate to their duties and responsibilities. This, doubtless, seems to them the more unjust inasmuch as, under a different construction of the law, they have been receiving, for many years past, nearly double their present compensation.

I venture to suggest that the emoluments of collectors, naval officers, and surveyors should be made dependent in part upon the fees collected; in part upon a percentage on the amount of duties paid into the treasury at their respective ports, and in part upon a small but fixed salary; the aggregate not to exceed a certain sum to be fixed as the maximum of their annual compensation.

I respectfully ask your attention, and that of Congress, to one re-

serious defect in the customs revenue laws, which has been the source of great embarrassment to the department, and out of which have arisen many grave evils.

The 22d section of the act of March 2, 1799, provides that "in case of the disability or death of a collector, the duties and authorities vested in him shall devolve on his deputy, if any there be at the time of such disability or death, for whose conduct the estate of such disabled or deceased collector shall be liable." From the passage of this act down to this time the department has ruled that, in case of the death of a collector, as the estate was liable for the conduct of the deputy, the fees and emoluments belonged to the estate, and not to such deputy. But within a year or two a decision of a judge of a United States district court has ruled otherwise, and this renders it doubtful what the law really is. If the bondsmen and estate of the deceased collector are not liable for the acts of the deputy, the United States are without security, inasmuch as such deputy gives no bonds to the government. While on this subject I will call your attention to another defect in the law. A. B. is appointed to fill a vacant collectorship in the recess of Congress; he, of course, holds the position until a successor is appointed, or until the close of the ensuing session of Congress. Meantime he is nominated to the Senate for the office, but in the last hour of the last day of the session his nomination is rejected by the Senate. He has no deputy, and if he had, he ceases to be such with the close of the session, and there is really no one who can legally perform the duties of collector. Cases of this kind, and others somewhat similar, have not been of rare occurrence during the past five years. They are very embarrassing, inasmuch as, whatever course the department selects to pursue, it is, after all, only a choice of evils, and acts for which the law furnishes little or no warrant, necessity enforces.

I respectfully recommend that a law be passed requiring the appointment at each port of one principal deputy collector, who shall be required to enter into bonds to the United States, similar to the bond of a collector, and who, in case of the death, resignation, or removal of said collector, shall perform all the duties of collector; be denominated vice collector; be responsible to the government the same as if he were collector; entitled to all the fees, fines, forfeitures, penalties, and other emoluments to which a collector would be entitled, and shall have and exercise all the rights and powers, and be subject to all the responsibilities, of collector, until superseded by the appointment of a collector.

Surveyors of customs, in theory, are one of the three principal officers at ports where there are collectors, naval officers, and surveyors; in practice, however, they are but little more than a head inspector. Very important duties devolve upon them, which are performed by inspectors under their charge, and for the performance of which the surveyor is held responsible, while he has neither the power to appoint, nominate, nor remove, however inefficient, unfit, or unfaithful they may be. I cannot think that this system is the best that could be devised to insure the efficiency and honesty of inspections. I have heretofore expressed the opinion, and now reiterate it, that the surveyor of a port, especially the large ports, should have exclusive control of all inspections of customs, and be charged with, and held responsible for, the performance of all the out-door duties of the port, such as inspection, weighing, gauging, and measuring. At the large ports, such as Boston, New York, Philadelphia, New Orleans, and San Francisco, the collectors have as many duties to perform, and employés to supervise, in-doors, as ought to devolve upon any one man.

## FINES, PENALTIES, AND FORFEITURES.

In the preceding statement of the amount paid into the treasury during the fiscal year ending June 30, 1869, on account of customs, &c., (to-wit, \$181,891,832 27,) \$734,415 57 were paid in as fines, penalties, and forfeitures. This is an unusually large amount, and I call attention to it with some pride as furnishing the best possible evidence of the efficient manner in which the revenue laws were enforced, smuggling detected, and the revenue protected during the above-mentioned period. During the same period the amount paid to special agents, or those so-called, whose chief duty is to protect the revenue, ferret out frauds, and detect and prevent smuggling, was \$149,825 33.

The amount of fines, penalties, and forfeitures received from the respective ports in the United States were as follows:

*Statement showing the amount of money received during the fiscal year ending June 30, 1869, on account of fines, penalties, and forfeitures.*

Bangor, Me.....	\$6,226 30	Georgetown, S. C.....	\$300 00
Bath, Me.....	1,506 95	Savannah, Ga.....	860 00
Frenchman's Bay, Me.....	450 58	Mobile, Ala.....	743 32
Machias, Me.....	869 55	New Orleans, La.....	7,646 10
Panamaquoddy, Me.....	6,837 21	Apalachicola, Fla.....	50 00
Portland and Falmouth, Me.....	25,675 71	Fernandina, Fla.....	857 55
Waldoborough, Me.....	80 30	Key West, Fla.....	749 97
Aroostook, Me.....	513 75	Pensacola, Fla.....	50 00
Portsmouth, N. H.....	2,388 69	St. John's, Fla.....	26 00
Vermont, Vt.....	20,497 92	St. Mark's, Fla.....	75 40
Providence, R. I.....	7,357 16	Brazos de Santiago, Tex.....	1,678 98
New Haven, Conn.....	60 00	Saluria, Tex.....	417 17
New London, Conn.....	120 00	Corpus Christi, Tex.....	812 60
Boston and Charlestown, Mass.....	20,034 24	Paso del Norte, Texas, and New Mexico.....	1,159 53
Gloucester, Mass.....	1,703 85	Texas, Tex.....	385 54
Marblehead, Mass.....	10 74	Cuyahoga, O.....	50 00
Buffalo Creek, N. Y.....	602 63	Miami, O.....	466 31
Cape Vincent, N. Y.....	3,390 20	Detroit, Mich.....	25,079 13
Champlain, N. Y.....	6,519 58	Huron, Mich.....	9,868 16
Dunkirk, N. Y.....	64 45	Superior, Mich.....	52 00
Genesee, N. Y.....	110 29	Michigan, Mich.....	304 50
New York, N. Y.....	407,191 41	Chicago, Ill.....	1,935 79
Niagara, N. Y.....	974 14	Milwaukee, Wis.....	2,000 54
Oswego, N. Y.....	2,770 97	Minnesota, Minn.....	15 00
Newark, N. J.....	250 40	San Francisco, Cal.....	57,711 74
Perth Amboy, N. J.....	50 00	Oregon, Or.....	481 42
Philadelphia, Pa.....	360 00	Puget's Sound, Wash. Ter.....	612 71
Erie, Pa.....	5,777 42	Alaska.....	1,328 49
Baltimore, Md.....	4,234 40	St. Louis, Mo.....	350 00
Richmond, Va.....	14,765 38	Memphis, Tenn.....	100 00
Norfolk and Portsmouth, Va.....	940 77	Wheeling, W. Va.....	68 12
Beaufort, N. C.....	943 60	Pittsburg, Pa.....	100 00
Farmico, N. C.....	70 00		
Wilmington, N. C.....	30 06		
Charleston, S. C.....	550 09		
	14,475 17		
		Total.....	674,004 86

The difference between the above total amount and the whole amount paid in is to be accounted for by certain amounts paid in by marshals and clerks of courts, which it is not necessary to specify.

The following statement of the comparative amounts of revenue collected through the customs and the amount received from internal revenue, as also the expenses of collecting each, during the fiscal year ending June 30, 1869, will not be uninteresting to yourself or the public:

Received from customs, as before stated, \$181,891,832 27; of this about \$175,000,000 were coin, equivalent in currency (gold being worth, during the year, an average of at least 130) to.....	\$234,391,832 27
Received from internal revenue during same period.....	158,356,460 86

Excess of customs receipts.....	76,035,371 41
---------------------------------	---------------

Expenses of collecting internal revenue.....	\$7,200,114 16
Expenses of collecting customs .....	5,581,636 00
Excess of expenses of collecting internal revenue.....	1,618,478 16
Per cent. of cost of collecting customs revenue, reduced to currency, about .....	2½
Internal revenue, about .....	4½
Difference .....	2½

## CLERICAL FORCE.

The clerical force of this bureau is inadequate to the duties to be performed. Two additional clerks are required on customs accounts, two on warehouse accounts, and two clerks and two messengers to perform the duties of superintending the preparation of books and blanks, taking charge of and transmitting them to collectors and other officers of customs.

You will please bear in mind that the two latter branches of business have been lately transferred to this office, and for the performance of the clerical duties and labor involved in them no provision, by law, has been made. I beg you to consider that this is one of the three revising, or comptrolling, bureaus of the government, where all the accounts of, and connected with, the customs are finally adjusted. In doing this a rigid examination of all the items and vouchers involved must be made, items and vouchers which amount to hundreds of thousands annually, the amount involved being over two hundred millions of dollars, including captured and abandoned property accounts, and all this is done by less than thirty clerks. Besides, the settlement of these accounts requires no slight knowledge of the laws by which the changes made are authorized, and out of which very nice questions sometimes arise to perplex and delay the clerk. These accounts, it is true, come to this office after passing through that of the First Auditor, but that does not lessen the labor of the examination here, since, as this bureau is responsible for any errors that may have been overlooked in their final settlement, it is necessary they should be scanned, item by item, as closely as if they had not previously passed through other hands.

Much inconvenience has been felt, and delay in business occasioned in this bureau by the frequent changing of its working force. The salaries paid to clerks of the first, second, and third classes are not such as men competent to perform the duties required of them here feel that they are entitled to, considering the great cost of living in this city, nor such as will enable them to support their families here in a respectable manner, especially if they have several children; and if they hold on, it is rather a matter of necessity than choice; they do not feel that justice is meted to them by the government, and avail themselves of the first opportunity to go into other business. Of course a new and inexperienced clerk has to take the place of the one who has left; and, strange as it may sound to those who are impressed with the notion that any man, however little he may know about the various kinds of business in the departments, is competent to perform any portion of it at the shortest notice, very few have that intuitive knowledge which enables them to perform the work satisfactorily until they have had some months' instruction and experience, and the more of this the better, if competent to learn at all.

## SUNDRY ACTS SHOULD BE REPEALED.

I respectfully recommend the repeal of the 3d section of the act of July 7, 1838, and the 7th section of the act of July 21, 1840, said sections being, in effect, superseded by subsequent laws, though not absolutely repealed. The 33d section of the act of 18th July, 1866, and the 5th section of the act of 28th of July, 1866, having virtually superseded the 9th and 10th sections of the act of 7th May, 1822, I recommend that they be repealed.

The commerce of the district of St. Mark's, Florida, having been by natural circumstances concentrated at Cedar Keys, one of the termini of the Florida railroad, I recommend that that place be made the port of entry of said district instead of St. Mark's, now virtually deserted.

I also recommend that the act of April 10, 1869, discontinuing Sault St. Marie as a port of entry and establishing said port for the district of Marquette, be repealed, Marquette being an out-of-the-way place, while Sault St. Marie is on the highway of the commerce of Lake Superior. I further recommend that the port of St. Mary's, Georgia, be abolished, and a part of the district be attached to the district of Brunswick, Georgia, and a part to the district of Fernandina, Florida. I also recommend that the district of Beaufort, South Carolina, be abolished and attached to Charleston district; also that the district of Petersburg, Virginia, be attached to the Richmond district. Several other small districts might, with great propriety and advantage to the public interests, be abolished and annexed to adjoining districts.

I respectfully recommend a reclassification of the clerks in this bureau. Important as the accounts to be finally settled in this office are, requiring the highest clerical capacity besides a good knowledge of customs laws, there are but two clerks of the fourth class in the office, while for performing duties neither more important nor requiring higher mental abilities, there is a large number of clerks who receive \$2,500 a year in other offices; and the same remark applies to some of the third-class clerks in this office.

To this manifest injustice I could do no less than call your attention.

I have the honor to be your obedient servant,

N. SARGENT, *Commissioner.*

Hon. GEORGE S. BOUTWELL,

*Secretary of the Treasury.*

## REPORT OF THE FIRST AUDITOR OF THE TREASURY.

TREASURY DEPARTMENT,  
*First Auditor's Office, October 9, 1869.*

SIR: I have the honor to submit the following report of the operations of this office for the fiscal year ending June 30, 1869:

Accounts adjusted.	Number of accounts.	Amounts.
<b>RECEIPTS.</b>		
Collectors of customs.....	1,498	\$203,570,806 99
Collectors under steamboat act.....	478	159,643 05
Internal and coastwise intercourse.....	4	46,976 08
Captured and abandoned property.....	181	3,313,492 27
Mints and assay offices.....	12	23,906,236 48
Fines, penalties, and forfeitures.....	334	701,883 00
Seamen's wages forfeited, &c.....	32	1,767 57
Lading fees.....	8	13,468 61
Total.....	2,547	\$21,768,318 23
<b>DISBURSEMENTS.</b>		
Collectors as disbursing agents of the treasury.....	1,343	\$8,122,334 48
Official emoluments of collectors, naval officers, and surveyors.....	967	1,785,585 61
Excess of deposits for unascertained duties.....	105	2,964,039 78
Debentures, drawbacks, bounties, and allowances.....	66	556,966 15
Special examiner of drugs.....	33	3,333 33
Superintendents of lights.....	328	1,347,256 06
Agents of marine hospitals.....	562	426,496 89
Accounts for duties illegally exacted, fines remitted, judgments satisfied, and net proceeds of unclaimed merchandise paid.....	313	947,985 79
Judiciary accounts.....	1,564	2,307,412 33
Disbursements for revenue cutters.....	947	884,660 89
Redemption of the public debt and the payment of interest thereon.....	919	618,969,985 27
Pay of janitors of public buildings.....	28	4,089 20
Sales of seized goods.....	10	12,365 69
California land claims.....	4	1,570 00
Inspectors of steam vessels for traveling expenses.....	210	41,628 97
Public printing.....	88	1,789,344 91
Insane Asylum, District of Columbia.....	39	132,020 12
Columbia Institution for Deaf and Dumb.....	18	89,687 48
Columbia Hospital for Women.....	6	22,195 04
Providence Hospital.....	7	6,914 58
Erection of Department of Agriculture.....	3	27,878 04
New dome, Capitol extension, new jail, &c.....	30	169,435 49
Designated depositories for contingent expenses.....	29	5,088 42
Fire and burglar proof vaults for depositories.....	28	11,255 43
Construction and repairs of public buildings.....	1,364	2,921,778 74
Life-saving stations.....	34	23,931 73
Timber agents.....	5	2,966 63
Compensation and mileage of the members of the Senate and House of Representatives.....	3	189,241 50
Contingent expenses of the Senate and House of Representatives, and of the several departments of the government.....	693	3,653,307 37
Mints and assay offices.....	110	22,397,774 80
Territorial accounts.....	81	413,475 04
Captured and abandoned property.....	181	1,163,641 21
Salaries of the civil list paid directly from the treasury.....	1,191	488,371 72
Coast survey.....	23	501,786 43
Disbursing clerks, for paying salaries.....	346	5,626,794 63
Withdrawals of applications for patents.....	4	346 08
Treasurer of the United States, for general receipts and expenditures.....	4	1,116,550,461 91
Distribution of fines, penalties, and forfeitures.....	176	302,713 43
Commissioner of Public Buildings.....	179	592,194 08
Commissioner of Agriculture.....	36	185,069 37
Warehouse and bond accounts.....	841	.....
Miscellaneous.....	1,261	14,948,128 22
Total.....	13,352	1,808,644,481 50
Reports and certificates recorded.....		10,859
Letters written.....		1,900
Letters recorded.....		1,900
Powers of attorney registered and filed.....		4,295
Acknowledgments of accounts written.....		8,143
Requisitions answered.....		353
Judiciary emolument accounts entered and filed.....		467
Total.....		27,916

For the better understanding of the diversified character of the business of this office and its practical working in detail, I submit the following dissection as the most appropriate means of measuring and properly appreciating its importance and magnitude:

#### CUSTOMS DIVISION.

*Returns are now received from 135 districts and ports.*—These returns are distributed as nearly equally as practicable to thirteen different desks.

For the proper examination and adjustment of these accounts clerks are required who have a knowledge of the tariff laws, and are also good practical accountants. The accounts of customs are received and adjusted monthly. These accounts include the duties on imports, marine hospital dues, and duties on tonnage.

The abstracts of duties on imports in New York, Boston, Philadelphia, San Francisco, New Orleans, Baltimore, and Portland, are very large, requiring a great amount of patient labor in comparing the entries with the tariff schedules, made up as those schedules are from the various acts of 1861, 1862, and 1864, and the several amendatory acts.

In all the smaller districts, which have no naval officer to certify the abstracts, the manifest is forwarded by the collector for each and every entry of merchandise, amounting, in districts like Portland, Vermont, Oswego, Detroit, &c., to hundreds, and even thousands, in a single month. These must all be examined as to the rate of duty, oath, stamp, &c., and compared with the abstract.

After the abstracts are examined and the differences noted, a statement of account is made, and the collector charged with the aggregates and credited by his deposits as shown by the covering warrants.

The collectors of customs also render monthly accounts for expenses of collecting the revenue, which are adjusted quarterly. In these accounts are included all payments to inspectors, weighers and gaugers, appraisers, revenue boatmen, contingent expenses, salary of collectors, commissions, &c. Vouchers for all these payments must be compared with the lists of appointment for the authority for payment, and examined as to correct computation, oath, &c.

Next comes the account of official emoluments, in which the collector accounts for his fees, &c., and charges his payments for clerk hire, stationery, office rent, &c. This account in large ports is rendered monthly, and in small ones quarterly, and adjusted yearly.

Separate accounts have also to be stated in many of the districts for excess of deposits refunded, debentures paid, and expenses of the revenue cutter service. These are received monthly and stated quarterly. In some cases these are very large.

Monthly accounts are also received from nearly all the districts for steamboat fees, and fines, penalties, and forfeitures, which are usually adjusted quarterly, and in some cases oftener.

The collectors of customs also act as disbursing agents for expenses of marine hospital establishment and the light-house establishment, accounts for which are received monthly and quarterly, and stated quarterly.

There are also many special accounts, such as payments for the salaries of janitors and the distribution of fines and penalties.

Also the cases for the refunded duties exacted in excess, tonnage duty refunded, judgments satisfied, &c.

## JUDICIARY.

This division is highly important, embracing the adjustment of all judiciary accounts.

First. Accounts of United States marshals for expenses of United States courts, and for their fees for service of process, &c., in all United States cases under the fee bill of February 26, 1853, and amendments thereto. The fee bill of 1853 is general in its application to all States and Territories, but the practice of the courts in the different jurisdictions is not uniform, and hence almost every marshal has his own construction of the fee bill in making charges in his account. To adjust these accounts the closest scrutiny and thorough acquaintance with the usages and decisions of the accounting officers, a familiar acquaintance with their interpretations of the fee bill, as also the practice in the several districts, is essentially necessary. The business in the United States courts has nearly doubled since the passage of the internal revenue law and the closing of the rebellion. The accounts have assumed largely increased proportions in comparison with what they were prior to 1863.

Second. Accounts of district attorneys for attendance upon United States courts and upon commissioners' examinations, for their travel and for fees in all United States cases.

Third. Accounts of clerks of the United States courts for their attendance and for fees in all United States cases.

Fourth. Accounts of United States commissioners for fees, &c.

In the examination and adjustment of all these accounts it is necessary not only to hold the fee bill in memory, but also to be acquainted with all of the many decisions of the Attorneys General and of the Secretary of the Interior, and to be able readily to apply the same to any charge that may be presented.

## REDEMPTION AND INTEREST DIVISION.

To this division is assigned the settlement of accounts of the Treasurer of the United States, Assistant Treasurer, United States depositaries, and other fiscal agents of the Treasury Department, for the payment of interest on the public debt, treasury bonds, and government obligations, funded or otherwise, which may be classed respectively as follows:

*Registered bonds.*—These accounts, payments of which are made semi-annually upon schedules furnished by the Register of the Treasury to the several fiscal agents, as the holders of said bonds may designate, impose an onerous duty in their examination and adjustment. By reference to the records of the department, it will be seen that the coin-bearing interest of registered and coupon bonds issued amounts in the aggregate to \$2,107,931,300, and bonds issued to railroad corporations, interest payable in currency, to \$60,860,320; making a total of \$2,168,791,620, of which the largest portion is held by banking and other corporations, executors and trustees of estates, guardians of minors, and non-residents of the country; the registered interest of which, being receipted by attorneys, presents at once an idea of the magnitude of the items involved, and the close and critical examination necessary to the adjustment of this class of accounts. During the fiscal year there have been received, examined, registered, filed, and listed for the use of fiscal agents, 5,295 general and permanent powers of attorney and testamentary evidence of the administration of estates,



exclusive of the large mass of powers of attorney to cover special payments, which, when added to those of previous years, presents many thousands of legal papers methodically registered and filed in this division of the bureau.

*Coupons.*—These bonds, the interest of which is payable semi-annually, constitute a very important item in the labors of the division. From recent changes made in the rendition and reimbursement of coupons, requiring returns from the Assistant Treasurers at Philadelphia, New York, and Boston *weekly*, and *monthly* from all other agencies, this class of accounts has necessarily increased. The number of registered and coupon accounts stated during the year, embracing the sum of \$152,530,658 55, is 203.

*Redemption of United States stocks, &c.*—The number and amount of this class of accounts, receivable and audited for any period of the year, depends entirely upon the expiration of loans and the amount of government obligations outstanding due and payable. The redemption of United States bonds, being assignable, requires the same care and scrutiny in their examination as registered interest, and the same authority of attorneyship is requisite to legalize their redemption.

*The floating debt, or currency obligations*, consisting of treasury notes of various issues, certificates of indebtedness, and certificates of deposit for temporary loan, although diminishing in number, are still largely represented in the statistics of the division.

*Miscellaneous.*—The settlement of the accounts of the collectors of customs for treasury notes received for duties, war bounty scrip issued under act of February 11, 1847, and money claimed in lieu of bounty land scrip, together with certificates issued to the Treasurer of the United States to reimburse his account for the destruction of the various issues of treasury notes and other government obligations, embraces, with the accounts classified, the principal business of the division.

#### MINT ACCOUNT AND OTHERS.

*Condensed statement.*—Bullion accounts of the Mint of the United States and branches, and Assay Office, New York; accounts of ordinary expenses of the same; accounts of the secretaries of the Territories; accounts of the governors of the Territories; accounts of supervising and other agents of the Treasury Department, and of officers of the army for captured and abandoned property; quarterly salary certificates; accounts for defense of suits in the Court of Claims.

The bullion accounts of the Mint, Philadelphia; Branch Mint, San Francisco; and Assay Office, New York, are voluminous, and the examination of the various accounts tedious. The abstract of deposits, in connection with the warrants of the director or superintendent for payment, are first examined and checked, then the various accounts of the treasurer, melter and refiner, and coiner, under the following heads: "Deposit account," "gold bullion," "silver bullion," "cent bullion," "cent deposit account," "gold coinage," "silver coinage," "cent coinage," "melter and refiner's gold," "melter and refiner's silver," "melter and refiner's cent bullion," "coiner's gold," "coiner's silver," "coiner's five-cent account," "coiner's three-cent account," "coiner's bronze, or one and two cent account," "unpaid depositors," "gold coins for assay," "silver coins for assay," "silver profit and loss," "cent profit and loss," "bullion deposit profit and loss," "profit and loss," "bullion fund," "balances;" and, finally, all the above are blended in the "summary statement."

The ordinary expenses accounts are for the incidental expenses, wages of workmen, and salaries of officers and clerks of the Mint and branches; accounts of the secretaries of the Territories for compensation and mileage of members; and incidental expenses of the legislative assemblies of the Territories; accounts of the governors of the Territories for contingent expenses of executive officers; quarterly salary certificates for the salaries of judges of the Supreme Court, United States district judges, United States attorneys and marshals, governors and secretaries of the Territories, supervising and local inspectors of steamboats and vessels; accounts of supervising and assistant special agents of the Treasury Department for the collection of captured and abandoned property, and officers of the army who have received and disposed of property of this class.

These accounts consist of three classes:

*First. Money accounts, showing the receipts from and disbursements for and on account of captured and abandoned property.*—In the adjustment of this account careful examinations of all returns of sales, and abstracts of rents received, are made; the abstracts of disbursements are examined to see that no payments are made to agency aids, local or assistant special agents, without the approval of the appointment and rate of compensation by the Secretary of the Treasury, and that the proceeds of no property is released except on proper authority, and that bonds of indemnity are filed.

*Second. The cotton account.*—In this account the agents are charged and credited with all cotton received by them. The date of the receipt of each lot, from whom received or taken, the marks and number of bales, are given; date of disposal, how disposed of; if sold, proceeds stated; if transferred to another agent, that agent is charged with it; or if released, the agent must file his authority for the release; all the vouchers required in the adjustment of a money account are required in this. The number of bales of cotton embraced in accounts of this class adjusted in this office to date is 156,349.

*Third. Miscellaneous property accounts.*—The agents are charged with all property of a miscellaneous character received by them, and the disposition accounted for the same as the cotton accounts; accounts for expenses incurred in the defense of suits in the Court of Claims in relation to captured and abandoned property.

#### WAREHOUSE AND BOND ACCOUNT.

The regulations of 1857, section 564, required that officers of the customs should account for the duties entered at their respective districts for warehousing or re-warehousing, with the same particularity of detail as they were previously required to account for the duties on goods entered for consumption; and they were also required to keep and render their warehouse accounts monthly to the First Auditor of the Treasury.

The latter regulation, however, was, or became, a dead letter; and collectors only accounted for duties on merchandise warehoused as they were collected. This old regulation was revived by Circular No. 27, issued under date of October 1, 1867. Under this circular the attention of officers of the customs was directed to the above regulation, and they were notified to render full and accurate warehouse and bond accounts from July 1, 1867.

The object of these accounts is to trace every importation on which duties are not immediately paid on arrival, until such duties are paid, or until the goods are exported out of the country. This requires a detailed account of the receipt and cancellation of all warehouse, re-warehouse,

transportation and exportation bonds, a full account having from sixteen to eighteen formal statements. In this manner an importation is traced from the port of original entry, through perhaps two or more other districts of the United States, to the last port, where the duties are paid, the merchandise entered for exportation, or the bond forfeited and delivered to the district attorney for prosecution.

A division was organized in this office on December 1, 1867, and an immediate examination was entered upon of the accounts rendered since the publication of the aforesaid circular. Eighty-four (84) districts have rendered accounts. The remainder have no transactions relating to warehousing, and are required only to render monthly statements of the fact, which are filed in place of accounts. Many of these accounts, as from New York, Boston, San Francisco, New Orleans, Philadelphia, Baltimore, and Portland, are very large, and the examination requires an acquaintance with the rates of duty assessed by many tariff acts upon all articles of merchandise imported, and also with the numerous forms and regulations belonging to the warehouse system.

A double difficulty was encountered at the outset in the examination of these accounts. Being an entirely novel set of accounts, the clerks intrusted with the examination were unacquainted with the forms and regulations, and progress, in order to be accurate, was at first necessarily somewhat slow. This difficulty was much increased by the second, viz: that the customs officers were as inexperienced in rendering the accounts, and the earlier accounts of each office invariably had to be returned for correction, and some of them many times. It was, therefore, not until February 1, 1868, that the first complete account was audited and passed. Since then the accounts generally have been rendered quite correctly and regularly, and from February 1, 1868, to date, there have been audited and passed one thousand two hundred and forty-one (1,241) accounts.

The business of this division is in excellent working order, and is promptly dispatched.

#### ACCOUNTS OF THE TREASURER OF THE UNITED STATES.

The accompanying statement will exhibit the nature of the accounts, with the amount of moneys involved, audited from July 1, 1868, to June 30, 1869.

The magnitude of the statement will convey some idea of the labor performed in the adjustment of the accounts. The accounts of the Treasurer of the United States for the general receipts and expenditures of the government are made up and rendered quarterly. The account current (a volume of some three hundred pages) has to be carefully compared with a certified account received from the register of all warrants drawn on him, or in his favor, during the quarter; the amount of warrants for which he claims credit as paid during the quarter; the amount remaining unpaid and outstanding of previous quarters, and the amount of such warrants for which he claims credit as being paid; the amount of balances in the various depositories, &c. All warrants drawn on the Treasurer are paid by drafts, and he cannot receive credit for the payment of a single warrant unless it is accompanied by its appropriate draft, properly indorsed by the payee. The examination and comparison of these drafts are intricate and laborious.

The internal revenue warrants at this time fully equal one-half of the yearly issue of warrants prior to the rebellion, many of which require the critical examination of from one to over three hundred drafts.

The amount embraced in the accounts of the Treasurer of the United

States adjusted within the fiscal year ending June 30, 1869, is \$1,116,550,461 91.

The mileage and compensation of members of the House of Representatives are paid by the Treasurer on certificates of the Speaker of the House, which are the Treasurer's vouchers, and upon which he receives credit in the adjustment of his account as agent. This account has to be carefully compared with the journal of the Sergeant-at-arms, who keeps the individual accounts of the members, &c.

The account of the Secretary of the Senate is even more intricate, owing to the irregular sessions of that body.

#### SALARY ACCOUNTS.

Under this head is embraced the adjustment of the accounts (with two or three exceptions) of disbursing officers for payment of salaries to all persons in the departments at Washington who receive a regular compensation, with some accounts also for temporary and additional clerk hire.

\* \* \* \* \*

With great respect, your obedient servant,

T. L. SMITH, *First Auditor.*

Hon. GEORGE S. BOUTWELL,  
*Secretary of the Treasury.*

### REPORT OF THE SECOND AUDITOR OF THE TREASURY.

#### TREASURY DEPARTMENT,

*Second Auditor's Office, November 1, 1869.*

SIR: I have the honor to submit herewith the annual report of this office for the fiscal year ending June 30, 1869, showing in detail the condition of business in each division at the commencement of the year, its progress during the year, and its condition at the end thereof.

#### BOOKKEEPERS' DIVISION.

During the fiscal year ending June 30, 1869, requisitions were registered, journalized, and posted as follows, viz:

On what account drawn.	No.	Amount.
<b>PAY REQUISITIONS.</b>		
Advances in favor of Pay Department.....	94	\$36,790,540 61
Adjutant General's Department.....	30	987,700 00
Ordnance Department.....	151	1,885,901 12
Medical Department.....	9	141,000 00
Advances under direction of the Secretary of War.....	6	94,485 50
Advances in favor of Indian Department.....	300	4,615,444 18
Payments made to Treasurer United States, Internal Revenue Fund.....	43	134,394 37
National Asylum for Disabled Volunteers.....	9	858,039 30
the Soldiers' Home.....	22	146,965 54
Claims paid under appropriations of Pay Department.....	27	8,814 37
Medical Department.....	411	66,513 41
Ordnance Department.....	35	144,208 43
Adjutant General's Department.....	33	9,275 92
in charge of Secretary of War.....	87	51,969 33
of Quartermaster's Department.....	1	37 00
Indian Department.....	539	2,753,030 53
Claims paid under acts of special relief by Congress.....	3	8,304 92

*Requisitions registered, journalized, and posted, &c.—Continued.*

On what account drawn.	No.	Amount.
<b>TRANSFER REQUISITIONS.</b>		
Transferring amounts found on settlement to be chargeable to other appropriations than those they were disbursed from, by disbursing officers, to the proper appropriations on the books of the Second Auditor's office.....	215	\$13, 752, 581 21
Transferring amounts, as above, to the books of the Third Auditor's office.....	284	1, 202, 359 44
Total debit.....	2, 299	62, 803, 741 24
<b>REFUNDING REQUISITIONS.</b>		
Deposits under appropriations of Pay Department.....	52	80, 381 55
Adjutant General's Department.....	20	68, 080 78
Ordnance Department.....	50	1, 210, 010 86
Medical Department.....	25	208, 175 25
in charge of Secretary of War.....	6	29, 230 69
of Indian Department.....	21	332, 640 76
<b>COUNTER REQUISITIONS.</b>		
Carrying amounts to credit of appropriations from which disbursements had been made for other appropriations by disbursing officers, on the books of the Second Auditor's office.....	215	13, 752, 581 21
Transferring amounts, as above, from appropriations on the books of the Third Auditor's office, to the books of the Second Auditor's office.....	21	417, 106 69
Total credit.....	410	16, 098, 207 79
Total debit and credit.....	2, 709	78, 901, 949 03
<b>APPROPRIATION WARRANTS RECEIVED, JOURNALIZED, AND POSTED.</b>		
In favor of appropriations of Pay Department.....	7	38, 031, 568 25
Ordnance Department.....		981, 680 00
Adjutant General's Department.....		105, 000 00
Medical Department.....		1, 022, 000 00
in charge of Secretary of War.....		635, 000 00
Acts of special relief by Congress.....		6, 530 58
In favor of appropriations of Indian Department.....	44	11, 976, 396 58
Carrying unexpended balance of war appropriations to surplus fund.....	1	22, 562, 656 61
Carrying unexpended balance of Indian appropriations to surplus fund.....	1	10, 049 65
Total.....	53	75, 330, 881 67

There have been also received, registered, journalized, and posted, the following settlements, viz:

Paymasters'.....	211
Recruiting—regular and volunteer.....	293
Ordnance.....	79
Medical.....	148
Miscellaneous.....	418
Indian.....	128
Claims.....	935
Special settlements—charges and credits to officers for overpayments, refundments, &c.....	51
Total.....	<u>2, 263</u>

**PAYMASTERS' DIVISION.**

The following table and subjoined statement show the operations of the Paymasters' division during the year:

Accounts of paymasters on hand July 1, 1869.....	4, 021
Accounts of paymasters received during the year ending June 30, 1869.....	868
Total.....	<u>4, 889</u>

Accounts of paymasters audited and reported to the Second Comptroller during the year ending June 30, 1869.....	1,216
Accounts of paymasters remaining unsettled July 1, 1869.....	3,673
Amount involved in accounts of paymasters audited and reported ...	<u>\$182,227,388 71</u>
Number of accounts stated, transferring sums to the Third Auditor's books.....	37
Number of settlements, miscellaneous in character.....	100
Number of transcripts of settlements made to be used in the prosecution of defaulting paymasters and their bondsmen.....	3
Amount of indebtedness involved therein.....	\$30,243 84
Number of charges raised against officers of the army on account of double payments.....	32
Amount involved in said charges.....	\$6,846 83
Number of credits entered in favor of officers of the army for sums refunded on account of double payments.....	19
Amount involved in said credits.....	\$4,235 70
Number of paymasters' accounts in which payments to officers appear, entered on the records of such payments.....	615
Number of transcripts from muster and pay rolls issued to the Commissioner of Pensions, up to November 20, 1868, at which time this work was transferred to the Division of Inquiries and Replies.....	942

The amounts involved in the settlements above named are as follows, viz:

Paymasters' accounts.....	\$182,227,388 71 .
Amount of fines, forfeitures, &c., for the support of the National Asylum for Disabled Volunteer Soldiers, found to have accrued from all sources, and paid to said asylum by requisition on the treasury, in accordance with the act of Congress of March 21, 1866.....	709,254 23
Amount of fines, forfeitures, stoppages, &c., against soldiers of the regular army, paid to the treasurer of the Soldiers' Home, in accordance with the act of Congress of March 3, 1859.....	98,490 52
Amount transferred to the Treasurer of the United States, on the books of this office, and turned over to him by requisition, for the tax on salaries withheld from officers of the army.....	92,374 75
Amount transferred from the appropriation for the "pay of the army" to that for the "Subsistence Department," pursuant to General Orders, No. 63, dated War Department, June 11, 1867.....	220,369 48
Amount transferred from the appropriation for the "pay of the army," to that for "ordnance, ordnance stores, &c.," on account of deductions from the pay of officers and soldiers, for arms and accoutrements, in accordance with par. 1380, Revised Army Regulations of 1863.....	30,310 22
Amount transferred by requisitions to the books of the Third Auditor, on account of stoppages against officers of the army for subsistence stores, quartermaster's stores, transportation, &c.....	3,833 35
Total.....	<u>183,382,021 96</u>

#### ORDNANCE, MEDICAL, AND MISCELLANEOUS DIVISION.

The following statement shows the number of money accounts on hand in the ordnance, medical, and miscellaneous division at the commencement of the fiscal year ending June 30, 1869, the number received and settled during the year, and the number remaining on hand unsettled at the end of the year, together with the expenditure embraced in the settlements:

Accounts on hand July 1, 1868 .....	1,322
Accounts received during the year ending June 30, 1869 .....	<u>1,605</u>

Total .....	2,927
Accounts settled during the year.....	1,990
Accounts remaining on hand unsettled July 1, 1869.....	937
Amount of the accounts settled during the year.....	\$8,598,706 04

The expenditure named in the foregoing statement was made under the following heads, viz :

Ordinance Department .....	\$4,101,821 92
Medical Department .....	3,928,593 02
Expended by disbursing officers out of Quartermaster's funds, not chargeable to said funds, but to certain appropriations on the books of this office .....	296,377 13
Miscellaneous, viz :	
Contingencies of the army .....	153,385 71
Secret service .....	306 75
Providing for the comfort of sick and discharged soldiers.....	12,096 01
Sick and wounded soldiers' fund .....	67,550 44
Keeping and transporting prisoners of war.....	150 00
Pay and supplies of "hundred days" volunteers .....	286 67
Contingent expenses of Adjutant General's Department .....	1,252 93
Expenses of the Commanding General's office.....	10,305 35
Medical and surgical history and statistics.....	4,733 40
Printing book of tactics .....	\$10,219 13
Medals of honor.....	8 00
Relief of Colonel James A. Mulligan, act of July 3, 1868.....	5,000 00
Relief of Captain Dan. Ellis, act of July 3, 1868.....	3,060 00
Relief of Lieutenant Charles B. Tanner, act of July 13, 1868.....	144 92
Joint resolution for procuring gold medals for Captains Creighton, Low, and Stouffer, as testimonials of national gratitude, approved July 26, 1866.....	3,325 66
Total .....	8,598,706 04

## RECRUITING DIVISION.

The following shows the operations of the recruiting division for the fiscal year ending June 30, 1869, together with the condition of the division both at the commencement and close of the year :

	Regular recruit- ing.		Volunteer recruiting.		Claims for re- turn of local bounty.		Total number of accounts.	Total amount involved.
	No. of accounts.	Amount involved.	No. of accounts.	Amount involved.	Number.	Amount involved.		
Accounts on hand July 1, 1868.....	1,392		176		570		2,138	
Accounts received during the year .....	471		118		87		676	
Total.....	1,863		294		657		2,814	
Accounts settled during the year .....	886	\$327,204 28	150	\$2,500,581 99	442	\$13,293 05	1,478	\$2,841,079 39
Accounts on hand July 1, 1869.....	977		144		215		1,336	

The amounts disbursed in the settlements named in the above table were paid from the following appropriations:

## REGULAR RECRUITING.

Expenses of recruiting .....	\$326,657 28
Bounty to volunteers and regulars .....	525 00
Pay of the army .....	13 00
Medical and hospital departments .....	9 00
Total .....	<u>327,204 28</u>

## VOLUNTEER RECRUITING.

Collecting, drilling, and organizing volunteers .....	\$1,776,035 83
Bounty to volunteers and regulars .....	392,835 34
Draft and substitute fund .....	327,210 82
Relief of drafted men .....	4,500 00
	<u>2,500,581 99</u>

## LOCAL BOUNTY.

Pay of two and three years' volunteers .....	13,293 05
Total .....	<u>2,841,079 32</u>

## INDIAN DIVISION.

General report of the Indian Division for the fiscal year ending June 30, 1869:

Number of disbursing accounts of agents on hand June 30, 1868 .....	223
Number of property accounts of agents on hand June 30, 1868 .....	235
Number of claims on hand June 30, 1868 .....	None.
Number of disbursing accounts of agents received during the year .....	376
Number of property accounts received during the year .....	377
Number of claims received during the year .....	586
Total .....	<u>1,797</u>
Number of disbursing accounts of agents audited during the year .....	322
Number of property accounts examined during the year .....	263
Number of claims settled during the year .....	584
	<u>1,169</u>
Number of disbursing accounts of agents on hand June 30, 1869 .....	277
Number of property accounts on hand June 30, 1869 .....	349
Number of claims on hand June 30, 1869 .....	2
Total number of accounts, &c., on hand June 30, 1869 .....	<u>628</u>
Amount involved in disbursing accounts audited .....	\$1,964,499 68
Amount involved in claims settled .....	2,750,539 75
Total .....	<u>4,715,039 43</u>

There was also prepared in this division a report to Congress of receipts and expenditures of the Indian Department, embracing 227 sheets of foolscap and 393 sheets of royal foliopost.

## PAY AND BOUNTY DIVISION.

The two following tabular statements exhibit the operations of the pay and bounty division for the year:



*Examining branch.*

Date.	ORIGINAL CLAIMS.					SUSPENDED CLAIMS.			Total number of claims examined.	Number of letters written.
	Whole number examined.	Number found correct.	Number found incomplete and suspended.	Number rejected.	Number of duplicate applications found.	Whole number examined.	Number completed by additional evidence received.	Number again suspended; additional evidence not sufficient.		
1868.										
July .....	5,087	1,313	1,707	1,643	424	7,532	2,280	5,243	12,619	12,585
August .....	7,517	1,559	1,853	3,081	1,024	5,176	1,733	3,443	12,093	10,013
September .....	9,248	2,888	2,442	3,061	1,857	5,193	1,855	3,338	14,441	12,151
October .....	9,301	3,335	2,364	2,258	1,344	6,167	2,692	3,475	15,488	13,299
November .....	6,454	1,895	1,928	1,717	914	4,822	2,125	2,697	11,276	10,404
December .....	7,702	2,114	2,307	2,667	614	5,645	1,922	3,723	13,347	12,309
1869.										
January .....	7,534	1,703	2,848	2,153	890	5,804	2,240	3,564	13,338	12,096
February .....	4,950	1,116	1,927	1,355	552	5,731	2,326	3,505	10,681	9,606
March .....	6,358	1,569	1,853	2,112	924	6,218	1,944	4,274	12,776	10,407
April .....	5,421	1,366	1,873	1,335	847	4,060	1,253	2,807	9,481	8,394
May .....	6,060	1,800	1,891	1,686	683	3,779	1,158	2,621	9,839	13,934
June .....	5,715	1,524	1,540	2,023	628	4,422	1,845	2,577	10,137	9,148
Total .....	81,547	22,182	24,633	25,091	9,641	64,569	23,272	41,297	146,116	134,246

*Settling branch.*

Date.	Act July 22, 1861, including colored claims.				Act July 22, 1866. Additional bounty.			
	Number of claims.			Whole No. disposed of.	Number of claims.			Whole No. disposed of.
	Received.	Allowed.	Rejected.		Received.	Allowed.	Rejected.	
1868.								
July .....	3,381	1,882	1,090	2,962	1,184	3,225	496	3,791
August .....	4,371	3,335	3,082	6,417	1,173	2,762	423	3,185
September .....	4,874	2,623	2,048	4,671	1,157	2,314	255	2,509
October .....	2,976	2,876	2,561	5,437	1,064	2,135	415	2,550
November .....	2,603	3,364	1,565	4,929	967	1,507	524	2,091
December .....	2,291	4,258	1,864	6,122	704	1,715	364	2,079
1869.								
January .....	2,574	3,546	1,778	5,324	1,039	1,644	489	2,133
February .....	2,371	3,265	1,170	4,375	957	1,501	354	1,945
March .....	2,642	3,386	1,948	5,344	1,937	1,863	548	2,410
April .....	2,520	3,191	1,301	4,492	3,270	1,549	566	2,115
May .....	2,759	2,465	1,237	3,762	3,498	763	569	1,332
June .....	2,147	2,242	1,281	3,523	2,104	1,243	548	1,791
Total .....	35,509	36,383	20,975	57,358	19,074	22,370	5,551	27,921

Date.	Whole number of claims.			Total No. of claims disposed of.	Amount involved in settlements.	No. of letters written.	No. of certificates issued.
	Received.	Allowed.	Rejected.				
1868.							
July .....	4,565	5,107	1,576	6,663	\$597,235 88	9,193	7,461
August .....	5,544	6,097	3,505	9,602	752,525 82	15,070	7,511
September .....	6,031	4,937	2,303	7,240	586,217 82	15,134	5,427
October .....	4,040	5,011	2,876	7,927	756,502 00	12,237	6,199
November .....	3,590	4,931	2,089	7,020	662,476 33	10,028	5,049
December .....	2,995	5,973	2,228	8,201	943,065 52	12,814	4,351
1869.							
January .....	3,613	5,190	2,267	7,457	779,940 40	12,077	4,828
February .....	3,326	4,796	1,524	6,320	774,309 07	10,781	4,638
March .....	4,579	5,258	2,496	7,754	769,393 31	11,351	4,964
April .....	5,790	4,740	1,867	6,607	738,393 84	15,403	3,325
May .....	6,257	3,228	1,866	5,094	494,057 85	22,407	2,889
June .....	4,251	3,485	1,829	5,314	481,557 39	11,792	2,900
Total .....	54,563	58,753	26,526	85,279	8,355,618 22	159,087	58,533

In addition to the above, there have been made in this division sixteen settlements on account of fines, forfeitures, stoppages, &c., against soldiers of the regular army, paid to the treasurer of the Soldiers' Home, in accordance with the act of Congress of March 3, 1869, embracing \$17,856, making the total number of settlements in this division 85,295, and the total disbursements \$8,373,474 22.

Number of claims under act of July 22, 1861, including colored claims, on hand July 1, 1868 .....	69, 672
Number of claims under act of July 28, 1866, (additional bounty,) on hand July 1, 1868.....	27, 211
<b>Total number of claims on hand July 1, 1868.....</b>	<b>96, 883</b>
<b>Number of claims under act of July 22, 1861, including colored claims, on hand June 30, 1869 .....</b>	<b>47, 823</b>
<b>Number of claims under act of July 28, 1866, (additional bounty,) on hand June 30, 1869 .....</b>	<b>18, 364</b>
<b>Total number of claims on hand June 30, 1869.....</b>	<b>66, 187</b>

#### PROPERTY DIVISION.

The following statement shows the condition of business in this division at the commencement of the year, its progress during the year, and its condition at the end of the year:

Number of property returns of officers on hand June 30, 1868.....	160, 469
Number of property returns of officers received during the year .....	19, 660
<b>Total .....</b>	<b>180, 149</b>
Number of property returns of officers examined during the year .....	91, 322
Number of property returns of officers on hand June 30, 1869.....	88, 827
Number of certificates of non-indebtedness issued to officers.....	936
Amount stopped from the pay of officers for property not accounted for....	\$3, 739 25

#### DIVISION OF INQUIRIES AND REPLIES.

The work performed in the division of inquiries and replies during the fiscal year ending June 30, 1869, is as follows:

Number of inquiries on hand, unanswered, June 30, 1868..... 83, 284

Officers making inquiry.	Number received.	Number answered.
Paymaster General and paymasters in bureau of referred claims.....	32, 672	109, 257
Adjutant General.....	5, 651	8, 388
Quartermaster General.....	184	184
Commissary General of Subsistence.....	58	58
Third Auditor.....	404	439
Fourth Auditor.....	96	157
Commissioner of Pensions.....	1, 525	1, 886
Add requests from other offices for indorsements upon rolls in this office .....	40, 590	120, 379
	4, 936	4, 936
<b>Total.....</b>	<b>45, 526</b>	<b>125, 315</b>

Number of inquiries on hand, unanswered, June 30, 1869..... 3, 486  
 Number of rolls and vouchers copied for the Paymaster General and Adjutant General..... 969

## DIVISION FOR THE INVESTIGATION OF FRAUDS.

During the fiscal year ending June 30, 1869, there were under examination and investigation in this division 3,143 claims which were either suspected or known to involve fraud. Of these a portion were original claims for arrears of pay and bounty in which settlements had not been made, and the balance claims which had been allowed and which were subsequently discovered to involve some fraudulent transaction. In 2,603 of the above number investigation is not completed, while 540 have been finally disposed of. Of the original claims 94 have been rejected.

The amounts recovered by suit and otherwise are as follows:

Amount collected by draft and certificate of deposit, and turned into the United States Treasury.....	\$8,019 94
Amount collected and turned over to the Pay Department.....	604 28
Amount stopped at the Bureau of Refugees, Freedmen and Abandoned Lands.....	3,896 15
Amount of United States Treasurer's draft recovered before payment....	699 06
Amount recovered and turned over to Major J. L. Hodge, Paymaster United States Army.....	411 80
Amount of treasury certificates issued in fraudulent cases, and recovered before payment.....	2,144 40
Amount secured to rightful claimants which had been withheld by agents, or obtained by fraudulent claimants.....	\$5,364 30
Amount of charges raised against paymasters on account of payments made upon forged receipts.....	565 60
Amount of paymasters' checks issued in fraudulent cases and recovered before payment.....	400 00
	<hr/>
	22,105 17
In addition to the above there has been secured by bond, payable in case certain claims prove to be fraudulent upon further investigation.....	1,000 00
	<hr/>
Total amount secured.....	23,105 17

The number of cases prepared for suit in the United States district court is 78. There are now under investigation and examination 2,972 cases, as follows:

Fraudulent and contested claims, in cases of white soldiers, in which treasury certificates have issued.....	590
Original claims, (white soldiers).....	320
	<hr/>
	910
Fraudulent and contested claims, in cases of colored soldiers, in which treasury certificates have issued.....	252
Original claims of pretended widows of colored soldiers, in which evidence of marriage is not satisfactory.....	427
Contested claims of widows of colored soldiers, (original).....	314
Supposed fraudulent claims filed from Shelby County, Tenn., (colored soldiers,) original.....	1,014
	<hr/>
	2,007
Miscellaneous claims.....	55
	<hr/>
Total.....	2,972
	<hr/>
Involving about.....	\$600,000

## DIVISION IN CHARGE OF ARCHIVES.

This division has charge of the files and rolls of which the Second Auditor is the permanent legal custodian. They are very extensive, embracing all the settlements of this office since its organization, and

the pay-rolls of the army since the peace establishment of 1815, and occupy all the available space of 22 rooms. Constant reference is being had to them, and a large portion of the time of the force employed is occupied in superintending the withdrawal from and returning to their proper places of vouchers and other papers borrowed for use in various parts of the office and in other bureaus. Every paper taken from the files is charged upon books kept for the purpose to the person withdrawing it, and he is credited upon its return. Much other labor is performed in properly arranging and labeling new matter constantly being added, and in bestowing such care and attention as is essential to the proper preservation of such a mass of important records. Of this portion of the work some idea is conveyed in the following statement of that performed during the last fiscal year.

Number of paymasters' accounts received, arranged, briefed and boarded.....	4,541
Number of confirmed settlements received from the Second Comptroller, verified, briefed and filed:	
Paymasters'.....	212
Indian.....	610
Miscellaneous.....	1,441
	<u>2,263</u>
Number of abstracts of accounts put in book form.....	<u>1,012</u>
Number of old files from 1817 to 1861 examined, rearranged, &c:	
Paymasters' settlements (bundles).....	1,550
Second Auditors' do. do. ....	4,052
Indian do. do. ....	510
	<u>6,112</u>
Number of mutilated vouchers repaired with tracing muslin.....	<u>22,956</u>

For convenience of reference I annex the following abridgment of so much of the foregoing as relates to accounts:

Description of accounts.	On hand July 1, 1868.	Received during year.	Disposed of during year.	On hand June 30, 1869.	Amount in- volved in set- tlements.	No. of letters written.
Paymasters.....	4,091	868	1,216	3,673	\$182,227,388 71	4,212
Indian agents.....	223	376	323	277	1,064,499 68	1,034
Indian agents, (property).....	235	377	263	349	2	
Indian claims.....	1,322	586	564	2	2,750,539 75	1,426
Ordnance, medical, and miscellaneous..	1,322	1,005	1,990	937	8,536,706 04	
Bounty, arrears of pay, &c.....	96,883	72,583	85,270	84,187	8,355,618 22	391,233
Regular recruiting.....	1,392	471	836	977	397,204 26	439
Volunteer recruiting.....	176	118	150	144	2,500,561 91	
Claims for return of local bounty.....	570	87	442	215	13,293 05	17,964
Ordnance and Quartermaster's De- partments, (property).....	160,489	19,060	91,322	88,827	116,346 52	
Soldiers' Home.....		20	20		709,254 23	
National Asylum.....		8	8			
Total.....	265,311	96,759	182,482	179,568	207,563,432 39	316,308

Besides the number of letters stated in the above table there have been written 89,434 relating to the miscellaneous business of the office, making a total of 405,745.

Number of claims, &c., received, briefed, and registered.....	169,545
Number of licenses of claim agents received and recorded.....	2,386
Number of letters copied and indexed.....	118,972
Average number of clerks employed during the year.....	302

In addition to the foregoing, various statements and reports have been prepared and transmitted from the office, as follows :

Annual statement of the recruiting fund, prepared for the Adjutant General of the army.

Annual statement of the contingencies of the army, prepared in duplicate for the Secretary of War.

Annual report of balances on the books of this office remaining unaccounted for more than one year, transmitted to the First Comptroller.

Annual report of balances on the books of this office, remaining unaccounted for more than three years, transmitted to the First Comptroller.

Annual statement of the clerks and other persons employed in this office during the year 1868, or any part thereof, showing the amount paid to each on account of salary, with place of residence, &c., in pursuance of the 11th section of the act of 26th August, 1842, and resolution of the House of Representatives, of the 13th of January, 1846, transmitted to the Secretary of the Treasury.

Monthly tabular statement showing the amount of business transacted in the office during the month, and the number of accounts remaining unsettled at the close of the month ; transmitted to the Secretary of the Treasury.

Monthly report of absence from duty of employés in this office, with reasons for such absence, transmitted to the Secretary of the Treasury.

Pay-rolls upon which payment was made to the employés of this office, prepared monthly, in duplicate.

Since the last annual report the clerical force of this office has been reduced by the dismissal of one hundred and eighty-three clerks, and the two dwelling-houses on Eighteenth street, occupied by the division of inquiries and replies, have been given up, reducing the current expenses of the office about \$225,000 per annum.

The property division has charge of the settlement of officers' property accounts, embracing ordnance, ordnance stores, clothing and camp and garrison equipage, with which they are charged, and to account for which they are required to make returns.

As all the volunteer officers have been out of service many years, and such as made affidavit that they had rendered all required returns and accounts, and that they were not indebted to the government, were paid for their military services under " Circular 33," from the War Department, dated July 18, 1865, it is not probable that many more calls for certificates of non-indebtedness will be made by them, as those who were not so paid have all, or nearly all, adjusted their accounts and received their certificates. There is still a very large number of property accounts unsettled that cannot be settled for want of proper returns. Upon examination they are found to be partial and defective. Many thousand letters in such cases have been addressed to officers in care of the adjutant general of their respective States, where their particular residence was not known, stating what was necessary to be done to secure a settlement, many of which have been returned indorsed " address unknown," " in Europe," " dead," &c., while the larger number remains unnoticed.

In view of the heavy expense attending these examinations and the very slight probability that the accounts can ever be adjusted, or that the government can ever realize any pecuniary advantage from further attempts to adjust them, I would respectfully recommend that Congress provide for at once closing these accounts. By doing so, a further reduction of the clerical force can be made, and the building now occu-

pied by the division can be given up, which will reduce the expenditure of the office at least \$20,000 per annum.

While respectfully calling attention to the detailed statement in this report, showing the transactions of the division for the investigation of frauds, and acknowledging the efficient co-operation of the various district attorneys in securing repayment of money fraudulently obtained and in prosecuting offenders, where the statute of limitations has not furnished them protection, I desire to say that the want of a fund from which the services of detectives, or the expenses of a clerk sent from the office to make investigations could be paid, has been severely felt. The annual report for 1868 showed that, up to that time, since the formation of the division, about \$50,000 had been recovered and turned in to the Treasury, which had been paid in fraudulent cases. Then there were only about four hundred cases under investigation. During the past year more than \$23,000 have been secured and two thousand nine hundred and seventy-two cases are now under investigation. Without the means of paying a detective, or the expenses of a clerk who might be sent to investigate matters upon the spot, the investigation must be carried on by the slow and uncertain process of correspondence and *ex parte* affidavits. The principal causes of complaint arise in our large cities, and, while the expenses would not be heavy, an appropriation of a few thousand dollars, to be expended under the direction of the Secretary of the Treasury, would furnish much greater security to the interests both of the government and honest claimants than they now can have. In renewing my recommendation of last year, that \$10,000 be appropriated for this purpose, I do not hesitate to express the belief that so much of it as may be used will prove a very profitable investment.

There being a vast number of persons throughout the country interested in bounty claims, I have been more specific in detailing the operations of the division having charge of them, and have caused tables to be prepared showing the progress and condition of the work from month to month throughout the year. It will be seen from an inspection of these tables that the number of claims disposed of during the year exceeds the number received by over 30,000, making an average gain of 2,500 per month; but since April the gain has been less than that, which is accounted for by the great change in the manner of settlement caused by the joint resolution of April 10, 1869, and the reduction of the force of clerks. Since July 1, the gain has been still less, as on October 1 an actual count showed the number of claims on hand to be 64,928, only 1,259 being gained in three months. This diminution arises from several causes: 1st, the large amount of absence of clerks on their annual leaves of thirty days each, averaging over one-third of the force during the time; 2d, the transfer to this office of claims from the Paymaster General's Office, by act of March 3, 1869, which, although made on May 1, by provision of the act, did not materially affect the settling branch of this division until after July 1; 3d, a very large number of claimants whose applications were rejected by the Paymaster General, before the transfer of the business from his office, are impressed with the idea that the act of March 3 entitles them; consequently this office is constantly in receipt of letters asking for re-examination to ascertain if such be the case, which necessitates the calling for the papers on file in the Paymaster General's office and the re-examination asked for.

It is proper also to state that in consequence of the increased number of acts relating to bounties and the numerous decisions arising under these acts, much greater care and diligence are requisite in the investigation and settlement of claims than formerly; while on the same ac-

count soldiers and their heirs, really entitled to nothing, imagine or hope that under some one of these various acts and decisions they may be entitled to some further allowance, and therefore make a general claim for whatever may be due them under existing laws. These claims all have to be received and examined, and not specifying under what particular act, resolution, or decision claim is made, a thorough investigation of the soldier's entire military history has to be made, usually imposing much more labor than is requisite where the claims are specific. The large number of this class of claims accounts for the fact that while the whole number of claims received during the last fiscal year was 54,583, the number rejected was 26,526, or nearly one-half as many as were received.

Although the count of October 1st shows so slight a reduction in the number of unsettled claims since July 1, it still exhibits a not unfavorable condition of the business of the division, for out of the 64,928 claims on hand, 57,852 have been examined, leaving 7,076 unexamined, of which number about 5,000 are awaiting the decision of the Attorney General, as to whether claimants are entitled under the act of March 3, 1869, leaving the examining branch only about 2,000 cases behind, or in point of time, two weeks.

Of the 57,852 claims examined, 43,716 are suspended, being defective in evidence or form, leaving 14,136 correct in these respects, of which number 7,053 are awaiting information, which has been called for from other bureaus, and for the return of duplicate receipts from attorneys required by joint resolution of April 10, 1869, leaving the settling branch 7,083 cases behind the examining branch, or in point of time, about six weeks.

The discovery of extensive frauds in the presentation of colored claims has made unusual care and circumspection necessary, and has seriously retarded the settlement of even those that are probably just. Some of the cases are where parties have become possessed of certificates of discharge that have been lost or stolen, and falsely personate the soldier; but the more general fraud is in claiming to be the heir of a deceased soldier, either as parent, brother, sister or widow. It is frequently found that three, four, and sometimes even five applicants claim to be the widow of the same soldier, each presenting perhaps equally strong evidence of marriage and cohabitation. From their manner of life there may be no fraudulent intent or untruthful statement in some of these cases; but the difficulty of ascertaining whether the claim is fraudulent or not, or deciding who among the claimants is the rightful one, will necessarily prolong the examination of this class of claims. The liberality of Congress in giving bounties and pensions to colored soldiers, and especially to their heirs, has evidently exercised a demoralizing influence upon a portion of the race, while it has encouraged designing men to take advantage of their defenselessness and their ignorance to rob some of what is justly their due, while using others to institute fraudulent claims with the intention of robbing the government.

During the past summer, besides the reduction, there has been a reorganization of the clerical force in this office, making a necessity for some new divisions and subdivisions. The division having charge of the settlement of paymasters' accounts has been largely increased, and the business of that branch of the service will be executed more expeditiously than heretofore.

The files of this office, which have accumulated rapidly during and since the war, and show the disbursement of more than two billions of

dollars in money and property, are now being carefully rearranged by a competent force for better preservation and more convenient reference.

The various registers of the claims of soldiers and their heirs, which have become worn and in some instances nearly destroyed by constant use, are being copied, arranged by States, regiments, and companies, so as to show at a glance what claims have been filed by each under the various acts of Congress, and what disposition has been made of them. This could not possibly be done at an earlier day, but when completed, as they will be during the present year, they will furnish a perfect history of each soldier's claims and settlements.

I have the honor to be, very respectfully,

E. B. FRENCH, *Auditor.*

Hon. GEORGE S. BOUTWELL,  
*Secretary of the Treasury.*

## REPORT OF THE THIRD AUDITOR OF THE TREASURY.

TREASURY DEPARTMENT,  
*Third Auditor's Office, October 15, 1869.*

SIR: I have the honor to submit the following report of the business transactions of this office during the fiscal year ending 30th June, 1869, and the first quarter of the fiscal year ending 30th June, 1870.

### BOOKKEEPER'S DIVISION.

The number of requisitions drawn on the Secretary of the Treasury by the Secretaries of War and Interior, for the year ending June 30, 1869, is 4,775, amounting to \$79,220,168 04, as follows:

On account of appropriations for Quartermaster's Department.....	\$33,809,209 57
Engineer Department.....	5,044,355 06
Subsistence Department.....	8,930,793 73
Pension Department.....	28,693,895 47
Bureau Refugees, Freedmen and Abandoned Lands.....	2,509,619 56
Claims under act March 3, 1849.....	232,364 65
	<u>79,220,168 04</u>

The amount of counter requisitions drawn on sundry persons indebted to the government, in favor of the Treasurer of the United States, during the year ending June 30, 1869, is \$12,390,969 87, as follows:

Second Auditor's transfers.....	\$1,202,377 97
Third Auditor's transfers.....	8,771,906 43
Fourth Auditor's transfers.....	725 15
Fifth Auditor's transfers.....	1,679 32
Navy Department transfers.....	406 60
Deposits.....	2,053,064 48
Requisitions canceled.....	360,807 92
	<u>12,390,969 87</u>

During the quarter ending September 30, 1869, the number of requisitions drawn by the Secretaries of War and Interior was 1,030, amounting to \$23,799,302 68, as follows:

On account of Quartermaster's Department.....	\$3,892,555 09
Engineer Department.....	1,739,870 22



Subsistence Department.....	\$445,709 80
Pensions.....	12,299,193 24
Claims act 3d March, 1849.....	19,028 32
Bureau Refugees, Freedmen and Abandoned Lands.....	402,946 01
	<u>23,799,302 67</u>

The number of counter requisitions drawn in favor of the Treasurer United States, same period, was 316, amounting to \$3,454,538 49, as follows:

On account of deposits.....	\$329,918 22
Second Auditor's drafts.....	108,085 55
Third Auditor's drafts.....	2,955,969 29
Commissioner of Customs, drafts.....	242 50
Canceled drafts and requisitions.....	60,322 93
	<u>3,454,538 49</u>

*Report of the business transacted in the Third Auditor's Office, United States Treasury, in the fiscal year ending June 30, 1869.*

Description of accounts.	No. of accounts remaining on hand June 30, 1868.	No. of accounts received during the year ending June 30, 1869.	Number of accounts settled in the fiscal year ending June 30, 1869.		Number of accounts unsettled June 30, 1869.	
	Monthly and quarterly.	Monthly and quarterly.	Monthly and quarterly.	Am't involved.	Monthly and quarterly.	Amount involved.
Quartermasters' Money.....	604	477	930	\$117,504,508 64	151	\$30,110,017 02
Quartermasters' Property.....	31,734	1,165	12,041		20,858	
Commissaries' Money.....	1,325	3,461	3,387	10,051,101 92	1,299	1,406,754 35
Pension Agents' do.....	647	687	697	20,230,355 07	637	34,811,593 33
Engineers' do.....	336	284	607	7,325,734 36	88	2,294,475 44
Refugees, F. and A. L. do.....	4	185	134	2,044,895 03	55	665,329 81
Refugees, F. and Property.....	50	1,210	1,234		36	
Signal Officers' Money.....	12	11	30	43,341 01	3	4,664 09
Signal Officers' Property.....	9	19	4		14	
Total.....	34,611	7,499	19,044	\$157,189,926 03	23,141	\$69,292,834 54
Claims for—						
Horses lost.....	6,289	427	818	166,581 04	5,898	\$1,093,351 59
Steamboats destroyed.....	83	9	14	150,877 04	78	798,801 86
Oregon war.....	694	99	130	40,923 45	263	90,176 84
Miscellaneous.....	3,531	2,778	2,194	2,414,354 77	4,115	2,485,580 22
State war.....	7	38	33	2,310,101 39	12	1,095,474 06
Total.....	10,804	3,351	3,189	\$5,082,737 69	10,966	\$5,573,364 57

#### QUARTERMASTER'S DIVISION.

In this division are examined the "accounts" and "returns" of the officers of the Quartermaster's Department of the army.

The accounts of that department cover a wider and more varied range of disbursements and of property accountability than any other branch of the War Department; it embraces disbursements for barracks, quarters, hospitals, storehouses, offices, stables, storage, and transportation for all army supplies, army clothing, camp and garrison equipage, cavalry and artillery horses, fuel, forage, straw, material for bedding, stationery, hired men, per diem to extra duty men, postage, the expenses

of courts martial, of the pursuit and apprehension of deserters, of the burials of officers and soldiers, of hired escorts, of expresses, interpreters, spies and guides, of veterinary surgeons and medicines for horses, of supplying posts with water, and generally the proper and authorized expenses for the movements and operations of an army not expressly assigned to any other department; the "returns" are an account of the disposition made of all property paid for by the Quartermaster's Department, (except clothing, camp and garrison equipage, which are accounted for to the Second Auditor.)

The tabular statement herewith exhibits in a condensed form the result of the labors of the force employed in this division, but can give only a faint idea of the amount of labor performed in producing that result, which I think will become apparent when it is recollected that the disbursements in the Quartermaster's Department during the late rebellion are unparalleled, and that by far the greater number of the officers of that department, prior to their appointment as quartermasters, were engaged in the various pursuits of civil life, and entirely unacquainted with the laws, regulations, and orders governing the Quartermaster's Department; nor was time allowed them for becoming acquainted with difficult and responsible duties, but as fast as the ranks of the army were filled and hurried to the field quartermasters were appointed; and generally, before even the required "bonds" were filed in the proper office, the appointees were ordered to the field and millions of dollars and property of untold value were placed in their hands, for which they were required to render a strict account, and all that before they themselves knew what was required of them. Their duties were so vast and so varied, that the entire administration of their duties were performed by clerks as inexperienced as the officers, and who had no pecuniary interests at stake—from which it will be observed that a proportionably greater number of erroneous disbursements would probably be made, and a larger amount of property improperly issued, than would be by officers of the regular army in time of peace; indeed, taking all things into consideration, it is surprising so few errors were made.

Quartermasters' "accounts" and "returns" are transmitted to the Quartermaster General, and after they have passed the administrative scrutiny of that office, they are forwarded to the Third Auditor for settlement. When they have reached this office they are properly "registered" and placed on file, and when taken up for adjustment a thorough examination is made of them in connection with the various "law regulations" and "orders" regulating the disbursements of that department. When the examination is completed, an "official statement" is made in which the officer is debited with all the funds pertaining to that department which have come into his hands, and he is allowed credit, under the proper appropriations for all disbursements made by him under authority of law, and made in accordance with the regulations. The account is then "transmitted," with a statement of such objections (if any) as may have been raised against it, to the Second Comptroller for revision and certification of the balances found thereon; and, at the same time, the officer is advised of the condition of his accounts and is furnished with a copy of any objections raised against his account. When a reply to the objections is furnished this office, a new settlement is made, based upon the officer's reply; and such objections canceled as have been satisfactorily answered. If any objections remain, the officer is furnished with a copy of them, and when a new reply is furnished a new settlement is made, and so on, until all the objections have been removed and the account finally adjusted and balanced.

"Returns of quartermaster stores," after their examination in the Quartermaster General's Office, are forwarded to this office for settlement. On their receipt they are "registered" and "filed," and when taken up for settlement, the mode of procedure is similar to that referred to above, except that the settlement is not revised by the Second Comptroller; the action of this office being final.

From the foregoing it will be perceived that in auditing the accounts and returns of the Quartermaster's Department a sound and discriminating judgment is requisite; by reason of the various laws affecting the department, and the vast number of general orders and special orders of the War Department, regulating disbursements and accountability under the laws, the orders are sometimes difficult to harmonize with the laws.

When an account is under examination, it is closely scrutinized with reference to the following considerations, viz: The propriety of the expenditure as connected with the appropriation to which it is charged; the prices charged, the sufficiency of the voucher, and, when sub-vouchers are necessary, the sufficiency of the sub-vouchers, care being taken that the vouchers presented are original; that if for purchase, the articles purchased, the quantity and kind of each, and the date specified. The accuracy of the computations are minutely examined, their correctness verified and errors, if any, noted. If the payments are for service, that the object, necessity, and propriety of the expenditure are stated; if for transportation, that they must be accompanied by proper bills of lading; if for expenditure under contract, the contract must be carefully examined, and in making up the official statement the appropriations are kept specific and distinct, as provided by Congress, and the vouchers arranged and settled under the heads respectively to which they pertain.

By referring to the tabular statement, it will be observed that the number of quartermaster money accounts remaining on hand June 30, 1868, were six hundred and four—

Involving.....	\$115, 798, 290 07
Quartermaster accounts received during the year ending June 30, 1869, are 477, involving .....	31, 816, 235 59
Total, 1,081, involving.....	147, 614, 525 66
Of which there were reported to the Second Comptroller during the year ending June 30, 1869, 930, involving .....	117, 504, 508 64
Leaving on hand June 30, 1869, 151, involving.....	30, 110, 017 02
Number of money settlements made during the current fiscal year on original examination is .....	930
Number of supplemental settlements of money accounts, made during the fiscal year, and based upon officers' explanations, is.....	1, 073
Aggregate money settlements.....	2, 003
Property returns on hand June 30, 1868.....	31, 734
Property returns received during the year ending June 30, 1869.....	1, 165
Total .....	32, 899
Property returns examined during the current fiscal year.....	12, 041
Leaving on hand June 30, 1869.....	20, 858
Number of supplemental settlements of property returns made during the current fiscal year upon officers' explanations, is .....	3, 297
Number of property settlements upon original examinations, is.....	12, 041
Total property settlements.....	15, 338

Number of money settlements made during the current fiscal year, is.....	2,003
Number of property settlements during the same period, is.....	15,338
Total settlements made during the current fiscal year, is.....	17,341
Number of vouchers examined during the year, is.....	2,250,000
Number of pages of difference and copy of same written, is.....	63,958
Letters written.....	37,848
Calls for charges answered.....	9,021
Pages of abstracts of charges furnished.....	10,012

Of the one hundred and fifty-one money accounts on hand fifty were received from the Quartermaster General in 1868, and one hundred and one in 1869, and nearly all of them are in process of adjustment, a majority of them, however, are very large and will require a vast amount of labor to examine them; but it is believed that all of them will be reported to the Second Comptroller by April 1, 1870.

Differences, amounting in the aggregate to many millions of dollars, remain unanswered on a large number of the accounts adjusted during the past few years; and inasmuch as, in many cases, the address of the officers was unknown to this office, and in some cases due diligence was not observed by officers in replying to the statements of differences furnished them, a section was added to this division in March last, whose duty is to ascertain the address of officers having open accounts on the books of this office, call their attention to the condition of their accounts, and if attention is not given within a stated period, the sureties of such officers are notified that legal proceedings will be instituted against *them* for the balance due the United States. This course has had a good effect, as many officers, whose address could not be ascertained by this office, (all communications addressed them from this office having been returned through the dead letter office,) have been found by their sureties, and steps taken to effect a final settlement of their accounts. Since the organization of the section, three hundred and eighty quartermasters' accounts have been examined, in which \$11,155,075 21 were found remaining unsettled; one hundred and forty-four quartermasters have been notified of the balances standing against them; and in twelve cases the sureties have been notified as indicated above. It is found, however, that in some cases no bonds were ever filed by officers duly commissioned as assistant quartermasters, and that such officers received and disbursed immense sums of money, and were accountable for large amounts of property without having given bond.

In the tabular exhibit hereto annexed, the number of quartermasters' property accounts unsettled is 20,858, and that the rate at which they have heretofore been settled, two years would enable this division to dispatch the entire mass with its present force. This, however, is not the fact; cases in which settlements have been made must not be understood to be finally disposed of. Settlements are made as far as possible, but in a large majority of cases the settlements result in difference sheets, which require explanations and additional vouchers, and, of course, another examination and settlement, and, not unfrequently, still another difference sheet, before a final close of the account is arrived at. Again, it is well known that there is a large number of accounts awaiting administrative examination, which must soon reach this office for settlement, while those now on hand are, many of them, by far the most difficult, and involve perhaps the largest amounts of any growing out of the war, and will necessarily require more time in the settlement of one of them than to settle many hundreds of the smaller ones that go to swell the number of those settled. The interests of the public, as

well as justice to the late officers of the volunteer service, require an early settlement of their accounts.

*Consolidated report of the operations of the Quartermaster's Division, Third Auditor's Office, from June 30, 1861, to September 30, 1869.*

	Number of accounts.		Amount involved.
	Property.	Money.	
<b>RECEIVED.</b>			
Remaining on hand June 30, 1861.....		213	\$3,961,433 75
Received during the fiscal year ending June 30, 1862.....		734	20,226,364 60
Received during the fiscal year ending June 30, 1863.....	550	098	83,376,876 53
Received during the fiscal year ending June 30, 1864.....	3,978	3,548	228,621,606 11
Received during the fiscal year ending June 30, 1865.....	14,032	2,174	242,641,435 53
Received during the fiscal year ending June 30, 1866.....	19,467	2,654	252,377,069 55
Received during the fiscal year ending June 30, 1867.....	17,454	3,613	337,257,331 53
Received during the fiscal year ending June 30, 1868.....	6,126	1,192	106,363,330 50
Received during the fiscal year ending June 30, 1869.....	1,165	477	31,810,235 59
Received during the quarter ending September 30, 1869.....	160	33	1,271,406 00
Total received.....	62,932	15,636	1,307,073,669 69
Total examined.....	43,760	15,516	1,287,947,855 02
Remaining unsettled as shown by the report of the division for September, 1869.....	19,172	120	20,025,234 67
<b>EXAMINED.</b>			
Examined during the fiscal year ending June 30, 1862.....		841	\$15,064,545 36
Examined during the fiscal year ending June 30, 1863.....		629	30,460,492 51
Examined during the fiscal year ending June 30, 1864.....	1,951	1,046	108,319,460 78
Examined during the fiscal year ending June 30, 1865.....	3,823	1,513	175,132,619 59
Examined during the fiscal year ending June 30, 1866.....	5,368	4,580	312,282,779 92
Examined during the fiscal year ending June 30, 1867.....	6,719	3,416	357,164,703 71
Examined during the fiscal year ending June 30, 1868.....	12,012	2,497	160,652,556 16
Examined during the fiscal year ending June 30, 1869.....	12,041	930	117,504,568 64
Examined during the quarter ending September 30, 1869.....	1,846	64	11,356,188 35
Total examined.....	43,760	15,516	1,287,947,855 02

In addition to the above there were settled from June 30, 1861, to September 30, 1869, 8,050 supplemental property accounts and 3,251 supplemental money accounts, involving the sum of \$1,908,018 81.

#### SUBSISTENCE DIVISION.

This division audits the accounts of all commissaries and acting commissaries of subsistence in the army, whose duties are to purchase the provisions and stores necessary for the feeding of the army, and see to their proper distribution. These commissaries render monthly money accounts with proper vouchers for the disbursements of the funds intrusted to them, together with a provision return and vouchers showing the disposition of provisions and stores purchased and received during each month. These accounts are received monthly through the office of the Commissary General of Subsistence, and are every six months (or oftener if the officer ceases to disburse) examined and audited in this division, and the money accounts and vouchers, together with a certified statement of their condition, referred to the Second Comptroller of the Treasury for his decision thereon. Upon their receipt back from the Comptroller with the statement approved, the officers are then officially notified of the result of said examinations, and are called upon by this office to adjust or explain any omissions or errors that may have been discovered. The money and provision accounts, together with all vouchers and papers belonging thereto, are, after examination, placed in the

settled files of this division for future reference, and remain permanently in the custody of this office.

All the accounts rendered by officers doing duty in the Commissary Department during the late rebellion have been examined and audited in this division, and the great majority of them satisfactorily adjusted and closed. It is now employed in auditing the accounts received during the year 1869, all received prior to January, 1869, having been examined and audited.

The following is a report of the business transacted in the subsistence division during the fiscal year ending June 30, 1869:

There have been received and registered during the year 3,461 money accounts of officers disbursing in the Subsistence Department, involving the expenditure of \$9,521,999 58.

During the same period 3,387 accounts (containing 54,653 vouchers) were audited and reported to the Second Comptroller of the Treasury, involving the expenditure of \$10,051,101 92.

In connection with the above, there were received and registered during the year, 3,017 provision returns, and within the same period 3,077 provision returns (containing 60,508 vouchers) were examined and adjusted.

The total number of vouchers contained in the accounts examined was 115,161.

During the year 976 official letters have been written; 789 pages of differences written and copied, and 3,825 queries received and answered.

Average number of clerks engaged upon the division during the year, 7 $\frac{3}{4}$ .

#### RECAPITULATION.

Accounts remaining on hand June 30, 1868, 1,225, involving.....	\$1,935,856 69
Accounts received during the year ending June 30, 1869, 3,461, involving.....	9,521,999 58
Making a total of 4,686, involving.....	11,457,856 27
Accounts audited and reported to Second Comptroller during the year, 3,387, involving.....	10,051,101 92
Accounts remaining unsettled June 30, 1869, 1,299, involving.....	1,406,754 35
Provision returns on hand June 30, 1868.....	1,162
Provision returns received during the fiscal year.....	3,017
Total.....	4,179
Provision returns examined during the year.....	3,077
Provision returns remaining on hand June 30, 1869.....	1,102
Money accounts on hand June 30, 1868.....	1,225
Provision returns on hand June 30, 1868.....	1,162
	2,387
Money accounts received during the fiscal year.....	3,461
Provision returns received during the fiscal year.....	3,017
	6,478
Total.....	8,865
Money accounts audited during the fiscal year.....	3,387
Provision returns examined during the fiscal year.....	3,077
	6,464
Total accounts on hand June 30, 1869.....	2,401

During the quarter ending September 30, 1869, there were received and registered 772 money accounts, involving an expenditure of \$1,699,347 78, to which add 1,299 accounts, involving an expenditure of

\$1,406,754 35, on hand June 30, 1869, making a total of 2,071 accounts, involving \$3,106,102 13, of which 678 accounts, involving \$1,834,660 73, were audited and reported to the Second Comptroller during the quarter, leaving unsettled 1,393 accounts, involving \$1,271,441 40, as recapitulated below.

Money accounts unsettled June 30, 1869, 1,299..... \$1,406,754 35  
 Money accounts received during the quarter, 772..... 1,699,347 78

Total, 2,071 ..... 3,106,102 13  
 Money accounts audited during the quarter, 678 ..... 1,834,660 73

Money accounts on hand September 30, 1869, 1,393..... 1,271,441 40

Provision returns on hand June 30, 1869..... 1,102  
 Provision returns received during the quarter..... 735

Total ..... 1,837  
 Provision returns examined during the quarter..... 698

Provision returns remaining on hand September 30, 1869..... 1,139

Number of letters written during the quarter..... 229

Number of vouchers in money accounts examined..... 12,057

Number of vouchers in provision returns examined..... 14,484

*Consolidated report of the operations of the Subsistence Division, Third Auditor's Office, from June 30, 1861, to September 30, 1869.*

	Number of accounts.		Am'ts involved.
	Provis'n.	Money.	
RECEIVED.			
Remaining on hand June 30, 1861.....	43	42	\$153,249 89
Received during the fiscal year ending June 30, 1862.....	1,384	1,210	17,445,013 33
Received during the fiscal year ending June 30, 1863.....	2,490	2,028	33,877,064 07
Received during the fiscal year ending June 30, 1864.....	7,144	6,586	134,393,717 79
Received during the fiscal year ending June 30, 1865.....	5,263	4,906	149,431,195 53
Received during the fiscal year ending June 30, 1866.....	4,172	5,690	50,020,829 23
Received during the fiscal year ending June 30, 1867.....	3,917	3,936	9,173,423 72
Received during the fiscal year ending June 30, 1868.....	2,528	3,627	11,276,166 91
Received during the fiscal year ending June 30, 1869.....	3,017	3,461	9,521,999 58
Received during the quarter ending September 30, 1869.....	735	772	1,699,347 78
Total received.....	30,693	32,258	416,001,067 83
Total examined.....	29,554	30,865	414,729,626 43
Remaining unsettled, as shown by the report of the division for September 30, 1869.....	1,139	1,393	1,271,441 40
EXAMINED.			
Examined during the fiscal year ending June 30, 1862.....	810	815	\$10,412,017 93
Examined during the fiscal year ending June 30, 1863.....	1,275	1,286	20,992,771 12
Examined during the fiscal year ending June 30, 1864.....	1,504	1,458	95,084,540 77
Examined during the fiscal year ending June 30, 1865.....	4,465	4,482	155,036,222 94
Examined during the fiscal year ending June 30, 1866.....	7,690	7,660	82,476,354 06
Examined during the fiscal year ending June 30, 1867.....	7,331	7,314	26,683,047 19
Examined during the fiscal year ending June 30, 1868.....	2,704	3,776	12,249,009 77
Examined during the fiscal year ending June 30, 1869.....	3,077	3,387	10,651,101 92
Examined during the quarter ending September 30, 1869.....	698	678	1,834,660 73
	29,554	30,865	414,729,626 43

# ENGINEER DIVISION.

This division is employed in the examination of the accounts of engineer officers of the army and engineer agents, who, under the direc-

tion of the Chief Engineer of the army, disburse moneys out of the various appropriations for public works, now 175 in number, made from time to time by Congress, and which may be classed under the following general heads, viz:

The purchase of sites and materials for, and the construction and repairs of the various fortifications throughout the United States. Construction and repairs of roads, bridges, bridge-trains, &c., for armies in the field. Surveys on the Atlantic and Pacific coasts. Purchase of sites and materials for and the construction of sea-coast defenses. Examination and surveys of the northern and western lakes and rivers. Construction and repairs of breakwaters. Repairs and improvement of harbors, both on the sea and lake coasts. Improvement of rivers and purchase of snag and dredge-boats for the same. And in general all appropriations of a similar nature are disbursed under the direction of the Chief Engineer, and the accounts of the disbursing officers are examined and adjusted by this division.

The average number of clerks employed in this division for the ten months from June 30, 1868, to April 30, 1869, was eleven; number now employed, six.

The following statements show the transactions of this division since June 30, 1868:

*Statement of business transacted by the Engineer Division during the year ending June 30, 1869.*

	No. of accounts.		Amount involved.
	Monthly.	Quarterly.	
Accounts on file June 30, 1868.....	317	9	\$4,210,661 46
Accounts received during the year.....	109	175	5,409,538 34
Total.....	426	184	9,620,199 80
Accounts examined during the year.....	381	141	7,325,724 36
Accounts remaining on file June 30, 1869.....	45	43	2,294,475 44

The amounts of credits allowed to officers during the year is \$7,359,224 75.

*Statement of business transacted by the Engineer Division during the first quarter of the year ending June 30, 1870.*

	No. of accounts.		Amount involved.
	Monthly.	Quarterly.	
On file June 30, 1869.....	45	43	\$2,294,475 44
Received during July, August, and September, 1869.....		58	1,245,463 34
Total.....	45	101	3,539,938 78
Examined during the quarter.....	45	52	2,602,827 04
Remaining on file September 30, 1869.....		49	937,111 74

The amount credited to officers during the quarter is \$2,767,854 54.



## STATE WAR CLAIMS DIVISION.

The duties of this division embrace the settlement of all claims of the several States for costs, charges, and expenses properly incurred by them for enrolling, subsisting, clothing, supplying, arming, equipping, paying, and transporting its troops employed in aiding to suppress the recent insurrection against the United States under the various acts and resolutions of Congress relating thereto.

*Statement showing the operations of the State War Claims Division for the year ending June 30, 1869.*

	Original accounts.		Special settlements.	
	No.	Amount.	No.	Amount.
On hand June 30, 1868.....	7	\$1, 671, 688 63		
Received during the fiscal year.....	38	1, 733, 866 82	32	\$4, 569, 592 83
Total.....	45	3, 405, 555 45		
Reported during the fiscal year.....	33	2, 310, 101 39	32	4, 569, 592 83
On hand June 30, 1869.....	12	1, 085, 454 06		
Suspended accounts on difference sheets.....	99	5, 301, 672 45		

*Statement showing the operation of the State War Claims Division for the quarter ending September 30, 1869.*

	Original accounts.		Special settlements.	
	No.	Amount.	No.	Amount.
On hand June 30, 1869.....	12	\$1, 095, 454 06		
Received during the quarter.....	8	2, 074 00	7	\$676, 335 21
Total.....	20	1, 097, 528 06	7	676, 335 21
Reported during the quarter.....	10	8, 892 55	7	676, 335 21
On hand September 30, 1869.....	10	1, 088, 635 51		
Suspended accounts on difference sheets.....	99	5, 231, 571 69		

## CLAIMS DIVISION.

This division is charged with the examination of all claims presented to this office except pension, back pay, and bounty-land claims of the war of 1812, and claims by the several States for reimbursement of expenses incurred in raising troops.

Its duties embrace the settlement of claims of a miscellaneous character arising in the various branches of service in the War Department, growing out of the purchase or appropriation of supplies and stores for the army, the purchase, hire, or appropriation of water-craft, railroad stock, horses, wagons, and other means of transportation, the transportation contracts of the army, the occupation of real estate for camps, barracks, hospitals, fortifications, &c., the hire of employes, mileage, court-martial fees, traveling expenses, commutations, &c., &c., of claims under the act of March 3, 1849, and its amendments, for compensation for water-craft, railroad engines and cars, horses, wagons, &c., lost or destroyed while in the military service of the United States, and for horses and equipage lost in such service by officers or soldiers; of claims under the act of March 2, 1861, growing out of the Oregon and

Washington Indian war of 1855 and 1856, and other Indian war claims; of claims of various descriptions, under special acts of Congress; of any claims not otherwise assigned by law.

The following statements show the business transacted by this division during the fiscal year ending June 30, 1869, and the condition of its business at the commencement and at the end thereof:

1. *Miscellaneous claims.*—There were on hand July 1, 1868, of this class, 3,531 claims, in 2,398 of which an aggregate of \$1,390,894 76 was claimed, the amounts claimed in the others (1,133) not being stated. During the year ending June 30, 1869, there were received 2,778 claims, in 2,699 of which an aggregate of \$3,518,940 23 was claimed, the amounts claimed in the others (79) not being stated. During the same year there were settled and otherwise disposed of 2,194 claims, the aggregate allowed thereon being \$2,009,737 59. In 2,162 of these an aggregate of \$2,414,254 77 was claimed, the amounts claimed in the others (32) not being stated. This number (2,194) includes 297 claims referred elsewhere for adjudication, the aggregate claimed therein being \$63,428 01. There remained on hand June 30, 1869, of this class, 4,115 claims, in 2,935 of which an aggregate of \$2,495,580 22 was claimed, the amounts claimed in the others (1,180) not being stated. Of special reports 120 were made in reference to this class of claims.

The following table shows the condition of the business of this branch of the division on June 30, 1869:

	No.	Amount claimed.	Amount allowed.
A. Claims undisposed of and remaining on hand June 30, 1868.....	3,531	\$1,390,894 76	
B. Claims received during the year ending June 30, 1869..	2,778	3,518,940 23	
C. Claims settled and otherwise disposed of during the year ending June 30, 1869.....	2,194	2,414,254 77	\$2,009,737 59
D. Claims undisposed of and remaining on hand June 30, 1869.....	4,115	2,495,580 22	

A. This amount is the aggregate claimed in 2,398 claims. In the remaining 1,133 no sums are stated.

B. This amount is the aggregate claimed in 2,699 claims, no amount being stated in the remaining 79.

C. This amount is the aggregate claimed in 2,162 claims, the amounts claimed in the other 32 not being stated. Also, this number and amount includes 297 claims referred elsewhere for adjudication, the amount claimed therein being \$63,428 01.

D. This amount is the aggregate claimed in 2,935 claims, the amounts claimed in the other 1,180 not being stated.

2. *Claims for compensation for horses, &c., lost in the military service.*—There were on hand July 1, 1868, of this class, 6,289 claims, the aggregate claimed therein being \$1,152,661 05. During the year ending June 30, 1869, there were received 427 claims, in which an aggregate of \$107,271 58 was claimed. During the same period there were settled 818 claims, in which an aggregate of \$166,581 04 was claimed, and an aggregate of \$88,621 32 allowed. Of these, 542 were allowed and 276 disallowed. There were on hand June 30, 1869, 5,898 claims, in which an aggregate of \$1,093,351 59 was claimed. During the year, 4,181 cases were examined and suspended and 1,315 briefs were made.

The following table shows the condition of the business of this branch of the division on June 30, 1869:

	No.	Am't claimed.	Am't allowed.
On hand undisposed of June 30, 1868.....	6,289	\$1,152,661 05	
Received during the year ending June 30, 1869.....	427	107,271 58	
A. Settled and otherwise disposed of during the year ending June 30, 1869.....	818	166,581 04	\$88,621 32
On hand undisposed of June 30, 1869.....	5,898	1,093,351 59	

A. Of this number 542 were allowed, and 276 disallowed.

3. *Claims for compensation for vessels, &c., lost in the service.*—Of this class there were on hand July 1, 1868, 83 claims, in which an aggregate of \$881,841 11 was claimed. During the year ending June 30, 1869, there were received 9 claims, the aggregate claimed therein being \$67,837 79. During the same period 14 claims have been settled, the aggregate claimed therein being \$150,877 04, and the aggregate allowed \$110,775 01. There remained on hand June 30, 1868, of this class, 78 claims, the aggregate claimed therein being \$798,801 86.

The following table exhibits the condition of this branch of the division June 30, 1869:

	No.	Amount claimed.	Amount allowed.
Claims on hand undisposed of June 30, 1868.....	83	\$881, 841 11	
Claims received during the year ending June 30, 1869.....	9	67, 837 79	
Claims settled and otherwise disposed of during the year ending June 30, 1869.....	14	150, 877 04	\$110, 775 01
Claims on hand undisposed of June 30, 1869.....	78	798, 801 86	

4. *Oregon and Washington Indian war claims.*—There were on hand July 1, 1868, of this class, 894 claims, in 470 of which an aggregate of \$108,373 32 was claimed, the amounts claimed in the others (424) not being stated. During the year ending June 30, 1869, there were received 99 claims, in 54 of which an aggregate of \$22,726 97 was claimed, the amounts claimed in the others (45) not being stated. During the same period 130 claims were settled, the aggregate allowed thereon being \$27,643 34. In 83 of these an aggregate of \$40,923 45 was claimed, the amounts claimed in the others (47) not being stated. There remained on hand June 30, 1869, of this class, 863 claims, in 441 of which an aggregate of \$90,176 84 was claimed, the amounts claimed in the others (422) not being stated.

The following table shows the condition of the business of this branch of the division on July 1, 1869:

	No.	Amount claimed.	Amount allowed.
A. Claims on hand undisposed of June 30, 1868.....	894	\$108, 373 32	
B. Claims received during the year ending June 30, 1869.....	99	22, 726 97	
C. Claims settled and otherwise disposed of during the year ending June 30, 1869.....	130	40, 923 45	\$27, 643 34
D. Claims on hand undisposed of June 30, 1869.....	863	90, 176 84	

A. This amount is the aggregate claimed in 470 cases, the amounts claimed in the other 424 not being stated.

B. This amount is the aggregate claimed in 54 cases, the amounts claimed in the other 45 not being stated.

C. This amount is the aggregate claimed in 83 cases, the amounts claimed in the other 47 not being stated.

D. This amount is the aggregate claimed in 441 cases, the amounts claimed in the other 422 not being stated.

There have been during the year 5,828 letters received, and 8,453 written.

The following report shows the labor performed by this division during the quarter ending September 30, 1869, and the condition of the business at the beginning and end of the quarter.

1. *Miscellaneous Claims.*—There were on hand July 1, 1869, of this class 4,115 claims, in 2,935 of which an aggregate of \$2,495,580 22 was claimed, the amounts claimed in the other 1,180 not being stated. During the quarter 328 claims were received, in 311 of which an aggregate of \$743,953 was claimed, the amounts claimed in the other 17 not being

stated. During the same period 363 claims were finally disposed of, in 349 of which an aggregate of \$750,109 87 was claimed, the amounts claimed in the other 14 not being stated. The aggregate allowed thereon was \$565,239 31. Of these, 343 were stated and reported to the Second Comptroller, in 322 of which an aggregate of \$742,216 04 was claimed, the amounts claimed in the other 11 not being stated, and 20 were referred elsewhere for adjudication, in 17 of which an aggregate of \$3,893 83 was claimed, the amounts claimed in the other 3 not being stated. There remained on hand September 30, 1869, of this class 4,080 claims, in 2,897 of which an aggregate of \$2,489,423 35 was claimed, the amounts claimed in the other 1,183 not being stated. During the quarter 33 special reports were made relative to this class of claims.

2. *Steamers, &c., lost.*—There were on hand July 1, 1869, of this class 78 claims, in which an aggregate of \$798,926 86 was claimed. During the quarter one claim of this class was received, in which \$125 was claimed. No claims of this class have been finally disposed of during the quarter. There remained on hand September 30, 1869, of this class 79 claims, in which an aggregate of \$799,051 86 was claimed.

3. *Oregon and Washington Indian war claims.*—There were on hand July 1, 1869, of this class 863 claims, in 441 of which an aggregate of \$90,176 84 was claimed, the amounts claimed in the other 422 not being stated. There were received during the quarter 29 claims, in 22 of which an aggregate of \$997 45 was claimed, the amounts claimed in the other 7 not being stated. There were settled during the quarter 51 claims, in 27 of which an aggregate of \$3,182 45 was claimed, the amounts claimed in the other 24 not being stated. The aggregate allowed was \$3,640. There remained on hand at the end of the quarter, (September 30, 1869,) 841 claims, in 436 of which an aggregate of \$87,991 84 was claimed, the amounts claimed in the other 405 not being stated. During the quarter 625 letters have been received in this division, and 383 were written.

#### HORSE CLAIMS DIVISION.

For convenience this has been made a separate and independent division, the duties of which embrace the auditing of claims under the act of March 3, 1849, and its amendments, for compensation for the loss of horses while in the military service of the United States, in battle, or in consequence of wounds received in battle, or because of the unavoidable dangers of the sea when on board of a government transport vessel, or because of the failure of the government to supply transportation, or in consequence of the government failing to supply sufficient forage, or because the rider was dismounted and doing duty on foot at a station detached and separated from his horse, or because the horse was turned out to graze, or by surrender to the enemy; and for the loss of horse equipments lost in consequence of the loss of the horse aforesaid; and also for the loss of horses, mules, oxen, wagons, sleighs, or harness, while in the military service of the United States, by impressment or contract.

The following is a report of the business of this division during the quarter ending September 30, 1869, and the condition of the same at the end thereof:

The number of claims received and docketed during the quarter is 86, in which the aggregate amount claimed was \$14,763 33. The number settled and finally disposed of during the same period (including those received prior to as well as during the quarter) was 197, in which the aggregate amount claimed was \$29,087 21, and on which the aggregate

amount allowed was \$16,787 57. There have been during the quarter 2,124 letters written, and 625 have been received and docketed. 1,025 claims have been examined and suspended, and 329 briefs made.

The following table presents the condition of the business of this division at the commencement and close of the quarter, as well as its progress through the quarter.

	No.	Amount.	No.	Amount.
Claims on hand unsettled June 30, 1869.....			5696	\$1,093,351 59
Claims received during the quarter ending September 30, 1869.....			86	14,763 33
Total.....			5982	1,108,114 92
Claims allowed during the quarter ending September 30, 1869.....	124	\$16,787 57		
Rejected on same.....		2,856 64		
Claimed.....		19,644 21		
Claims disallowed during the quarter ending September 30, 1869.....	73	9,444 00		
Deduct as finally disposed of during the quarter.....			197	90,688 21
Claims on hand unsettled September 30, 1869.....			5787	1,079,026 71

## PENSION DIVISION.

The duties devolving upon this division are keeping an account with each army pensioner of the United States, the date of commencement, rate, reduction, termination of disability, transfer, re-marriage, death, and expiration, whether by limitation or children becoming sixteen years of age. Also keeping an account with the army pension agents, of whom there are 59; charging them with all moneys advanced by the government to pay pensions, to examine and audit vouchers and accounts upon which payments are made, and all other disbursements on account of pensions.

The pension rolls on the 30th June, 1868, and 30th June, 1869, compare as follows:

	1868.	1869.
Revolutionary act, July 4, 1836.*.....	1	1
Revolutionary act, February 2, 1848.....	55	54
Revolutionary act, July 20, 1849.....	45	38
Revolutionary act, February 3, 1853.....	787	793
War of 1812, Florida, Mexican, Indian, and other wars.....	1,303	1,908
War of the rebellion, invalids.....	74,782	81,579
War of the rebellion, widows, minors, &c.....	90,052	101,360
Making a total, (not including children who receive \$2 per month under the act of July 23, 1866).....	167,023	185,125

\*Nancy Serena, widow of Joseph Serena, revolutionary soldier, paid at Pittsburg, Pennsylvania. Married prior to 1783.

There were pensions increased during the year, invalids, 2,908; there were pensions increased during the year, widows and others, 11,998; there were pensions added to the rolls, invalids, 7,120.

The amount drawn from the treasury to pay pensioners during the year ending June 30, 1869, was \$28,693,825 47.

The amount drawn from the treasury to pay pensioners during the first quarter of the year ending June 30, 1870, was \$12,299,193 24.

Compared with the report of last year, the account is as follows:

Report for 1868.....	\$28,660,116 75
Report for 1869.....	28,693,825 47
Increase in 1869.....	33,708 72

Report for 1st quarter, 1869 .....	\$11,073,486 75
Report for 1st quarter, 1870 .....	12,299,193 24
Increase 1st quarter, 1870 .....	<u>1,225,706 49</u>

The following tabular statements show the amount of business disposed of by the Pension Division during the year ending June 30, 1869, and during the first quarter of the year ending June 30, 1870.

*Report of the business of the Pension Division during the fiscal year ending June 30, 1869.*

Monthly accounts on hand July 1, 1868, 647, involving .....	\$27,712,254 87
Received during the year, 687, involving .....	27,319,693 03
Total, 1,334, involving .....	<u>55,031,947 90</u>
Reported to Second Comptroller, 697, involving .....	20,220,355 07
Remaining on hand, June 30, 1869, 637, involving .....	<u>34,811,592 83</u>
Special claims for settlement at treasury, received .....	374
Settled .....	140
Amount involved .....	\$13,394 66
Returned under act of July 27, 1868 .....	234
Pensions recorded, transferred, and increased .....	130,367
Dropped .....	3,346
Letters received .....	3,433
Letters written .....	4,027

*Quarterly report of the business of the Pension Division during the first quarter of the fiscal year ending June 30, 1870.*

Monthly accounts on hand July 1, 1869, 637, involving .....	\$34,811,592 83
Received during the quarter, 170, involving .....	3,376,484 27
Total, 807, involving .....	<u>38,188,077 10</u>
Reported to Second Comptroller, 200, involving .....	7,154,601 38
Remaining on hand September 30, 1869, 607, involving .....	<u>31,033,475 72</u>
Pensions recorded and increased .....	26,398
Pensions transferred .....	3,557
Letters received .....	706
Letters written .....	815

*Business of the Pension Division for the fiscal years 1868 and 1869, compared.*

	No.	Am't involved.		No.	Am't involved.
Accounts on hand July 1, 1867 .....	401	\$16,094,239 71	Accounts on hand July 1, 1868 .....	647	\$27,712,254 87
Accounts received during the year .....	728	23,822,743 16	Accounts received during the year .....	687	27,319,693 03
Total .....	1,129	39,916,982 87	Total .....	1,334	55,031,947 90
Accounts reported to Second Comptroller during year .....	468	12,299,193 24	Accounts reported to Sec'd Comptroller during year .....	697	20,220,355 07
Remaining unsettled July 1, 1868 .....	647	27,712,254 87	Remaining unsettled July 1, 1869 .....	637	34,811,592 83

*Business of the Pension Division for the first quarters of 1869 and 1870, compared.*

	No.	Am't involved.		No.	Am't involved.
Accounts on hand July 1, 1869.....	647	\$37, 712, 254 87	Accounts on hand July 1, 1869.....	637	\$34, 611, 592 63
Accounts of agents received 1st quarter, 1869.....	173	1, 799, 630 00	Received during 1st quarter of 1870.....	170	3, 376, 484 87
Total.....	819	39, 511, 885 47	Total.....	807	38, 188, 077 10
Accounts reported to Second Comptroller during the 1st quarter of 1869.....	156	4, 137, 363 71	Accounts reported to Sec'd Comptroller during 1st quarter, 1870.....	300	7, 154, 601 38
On hand Sept. 30, 1869.....	663	25, 374, 521 76	On hand Sept. 30, 1869.....	607	31, 033, 475 72

*Table exhibiting the money paid to pensioners in the United States at the several agencies during the year ending June 30, 1869.*

State.	Agency.	Agent.	Invalids.	Widows.
Maine.....	Augusta.....	Henry Boynton.....	\$154, 093 85	\$271, 156 40
Maine.....	Portland.....	M. A. Blanchard.....	183, 548 87	963, 107 83
Maine.....	Bangor.....	Gideon Mayo.....	143, 310 08	252, 535 63
New Hampshire.....	Concord.....	David Cross.....	176, 251 23	297, 613 72
New Hampshire.....	Portsmouth.....	J. H. Shapley.....	43, 791 59	67, 909 01
Vermont.....	Rutland.....	Newton Kellogg.....	83, 851 70	169, 566 96
Vermont.....	St. Johnsbury.....	E. C. Redington.....	104, 944 34	180, 919 81
Massachusetts.....	Boston.....	G. C. Trumbull.....	611, 442 84	1, 033, 997 06
Rhode Island.....	Providence.....	W. H. Townsend.....	56, 824 87	130, 817 13
New York.....	Albany.....	D. Wright.....	537, 813 57	900, 786 95
New York.....	do.....	S. H. H. Parsons.....	5, 726 96	9, 204 35
New York.....	Brooklyn.....	W. V. Porter.....	46, 261 01	94, 761 57
New York.....	do.....	D. W. Haynes.....	41, 257 00	96, 762 24
New York.....	Canandaigua.....	L. M. Drury.....	555, 654 16	769, 817 87
New York.....	New York City.....	A. Fobes.....	.....	711, 796 96
New York.....	do.....	W. H. Lawrence.....	.....	50, 678 90
New York.....	do.....	F. C. Wagner.....	346, 491 70	.....
New York.....	do.....	G. M. VanBuren.....	6, 294 93	.....
New Jersey.....	Trenton.....	P. Dickenson.....	203, 520 40	377, 581 02
New Jersey.....	do.....	J. F. Rusling.....	8, 667 27	19, 159 12
Connecticut.....	Hartford.....	Guy R. Phelps.....	102, 633 18	271, 134 67
Connecticut.....	do.....	D. C. Rodman.....	14, 623 89	67, 960 45
Pennsylvania.....	Philadelphia.....	E. W. C. Greene.....	416, 241 61	.....
Pennsylvania.....	do.....	W. T. Forbes.....	397, 600 37	.....
Pennsylvania.....	do.....	F. F. Burmeister.....	.....	1, 489, 585 51
Pennsylvania.....	do.....	A. R. Calhoun.....	.....	49, 257 05
Pennsylvania.....	Pittsburg.....	James McGregor.....	327, 816 88	546, 659 29
Delaware.....	Dover.....	D. F. Burton.....	22, 433 21	40, 534 92
Delaware.....	Wilmington.....	E. D. Porter.....	1, 032 66	1, 338 46
Maryland.....	Baltimore.....	T. K. Carroll.....	112, 262 34	183, 309 90
Maryland.....	do.....	H. Adreon.....	8, 846 05	19, 488 15
District of Columbia.....	Washington.....	Robert Clark.....	173, 813 00	188, 174 09
District of Columbia.....	do.....	W. T. Collins.....	11, 665 22	26, 269 04
Virginia.....	Richmond.....	J. T. Sutton.....	14, 671 95	40, 836 37
West Virginia.....	Wheeling.....	J. M. Doddridge.....	137, 190 90	335, 104 02
North Carolina.....	Raleigh.....	C. H. Belvin.....	6, 568 60	44, 641 82
Louisiana.....	New Orleans.....	F. J. Knapp.....	16, 232 09	29, 037 90
Arkansas.....	Little Rock.....	J. W. Demby.....	8, 671 32	74, 224 03
Tennessee.....	Knoxville.....	John Caldwell.....	56, 100 74	221, 154 10
Tennessee.....	do.....	D. S. Boynton.....	5, 222 61	43, 878 08
Tennessee.....	do.....	P. W. Maxey.....	22, 319 89	141, 856 10
Tennessee.....	do.....	W. J. Stokes.....	1, 001 57	5, 868 49
Kentucky.....	Louisville.....	E. F. Gallagher.....	95, 131 53	431, 099 98
Kentucky.....	do.....	Samuel McKee.....	.....	.....
Kentucky.....	Lexington.....	A. H. Adams.....	50, 752 04	262, 032 57
Michigan.....	Detroit.....	H. Barns.....	335, 582 66	634, 364 16
Michigan.....	do.....	A. Kaichen.....	8, 828 89	33, 197 38
Michigan.....	Grand Rapids.....	S. W. Allen.....	65, 689 57	104, 516 90
Michigan.....	do.....	T. Foot.....	1, 466 39	6, 118 82
Ohio.....	Cincinnati.....	William E. Davis.....	453, 402 26	830, 610 26
Ohio.....	Cleveland.....	L. Swift.....	285, 862 64	449, 166 64
Ohio.....	Columbus.....	J. W. Dwyer.....	262, 571 92	541, 374 18
Ohio.....	do.....	J. A. Norris.....	11, 741 68	18, 147 55
Indiana.....	Indianapolis.....	J. P. Wiggins.....	406, 761 68	973, 856 68
Indiana.....	do.....	C. W. Brouse.....	45, 693 65	93, 567 98
Indiana.....	Madison.....	Mark Tilton.....	79, 340 53	192, 715 48
Indiana.....	Fort Wayne.....	Sol. D. Bayless.....	150, 977 34	319, 523 16
Indiana.....	do.....	H. Iddings.....	.....	.....
Illinois.....	Chicago.....	C. T. Hotchkiss.....	238, 551 44	256, 554 17

Table exhibiting the money paid to pensioners in the United States, &amp;c.—Continued.

State.	Agency.	Agent.	Invalids.	Widows.
Illinois	do	B. J. Sweet	\$13,866 00	\$30,635 01
Illinois	Springfield	L. J. Bloomfield	200,216 36	346,127 44
Illinois	do	William Jayne	16,492 25	48,025 34
Illinois	Centralia	C. D. Hay	204,233 99	565,230 11
Illinois	Salem	J. S. Martin	6,758 57	26,374 23
Illinois	Quincy	J. M. Rice	148,916 95	214,443 54
Illinois	do	B. M. Prentiss	5,177 41	14,657 20
Iowa	Des Moines	J. D. Thompson	65,488 25	165,701 28
Iowa	do	S. Goodell	2,807 13	7,857 67
Iowa	Dubuque	M. Mobley	106,750 36	233,328 70
Iowa	Marion	J. B. Young		
Iowa	Fairfield	D. B. Wilson	112,836 97	233,608 41
Wisconsin	Milwaukee	M. H. Fitch	208,129 72	332,126 86
Wisconsin	Madison	Thomas Reynolds	77,956 99	201,402 52
Wisconsin	La Crosse	J. A. Kellogg	41,778 67	101,462 61
Minnesota	St. Paul	R. B. Galusha	78,514 70	165,172 40
Missouri	St. Louis	E. B. Brown	78,064 63	250,600 53
Missouri	do	James Lindsay	56,513 33	150,367 35
Missouri	Macon City	J. T. Clements	146,439 37	403,001 18
Kansas	Topeka	C. B. Lines	70,355 18	93,903 38
Nebraska	Omaha	E. A. Allen	6,932 13	8,697 22
California	San Francisco	J. W. Shanklin	13,675 56	15,363 69
Oregon	Oregon City	H. Warren	1,835 70	2,661 22
Washington Territory	Vancouver	S. W. Brown	1,486 50	
New Mexico	Santa Fe	J. L. Collins	1,642 99	2,147 27
Cherokee Nation	Fort Gibson	J. B. Jones	374 93	15,713 74
Total			9,336,293 19	18,343,654 70

On taking charge of this bureau in March last, I found the pension division, with all its papers and records occupying a private building in the city, with small rooms and poor light, and every way unsuited to the convenient and comfortable dispatch of its business, and what was much worse, the important files and records, involving the settlement of many millions of dollars, all exposed to the risks of fire. On suggesting to you the condition of the division, you very promptly directed its restoration to the treasury building, which was done. This removal necessarily produced a temporary suspension of work, and when it was resumed everything was in confusion, consequent upon the removal. The force employed was also largely reduced, while the work was nearly or quite two years behind. The importance of getting it up with the current business was very apparent; the closer the settlements can be kept up to the actual disbursements of pension agents, the less the opportunity for over-drafts by mistake or design, resulting not unfrequently in defalcations and frauds upon the treasury.

There are now on file for settlement count, by pension agents' accounts, as follows:

Accounts of 1867	72
Accounts of 1868	512
Accounts of 1869	257
Total	841

By some mistake they have been set down at 637, a difference of 204; the count must be correct, but it is difficult to say when or how the error in reporting the number first occurred. The force employed in the division, when it was removed to the treasury building, consisted of 29 clerks and 2 copyists; since June 30, 1869, it has 21 clerks and 2 copyists, and these are deemed sufficient to get the work up with the current business by the close of the present fiscal year, or within a reasonable time thereafter.



## BOUNTY LAND DIVISION.

The duties of this division are to report the services of soldiers to the Commissioner of Pensions, in all bounty land applications arising from the "war of 1812," and the several "California wars" for the suppression of Indian hostilities in that State; also settle claims for arrears of pay in the war of 1812, and half-pay pensions to widows and orphans of said war, under the act of Congress of April 16, 1816.

During the fiscal year ending June 30, 1869, eleven hundred and ninety-seven (1,197) bounty land claims, under the acts of Congress of 29th of September, 1850, 3d of March, 1855, and supplemental acts, have been examined, and returned to the Commissioner of Pensions for his action. Forty-one (41) invalid pension claims have been reported to the Commissioner of Pensions for his action. One (1) half-pay pension claim, under act of Congress of the 16th of April, 1816, has been settled, amount involved \$520 50. Of letters 292 have been written on matters relating to the war of 1812, and the war of the revolution.

During the quarter ending September 30, 1869, 316 bounty land applications have been examined and reported to the Commissioner of Pensions for his action. There have been 72 letters written on subjects relating to the division.

## REFUGEES, FREEDMEN, AND ABANDONED LANDS DIVISION.

The accounts of the agents and officers of the Bureau of Refugees, Freedmen, and Abandoned Lands settled in this office are for moneys paid out by the agents and officers of the bureau for stationery and printing, quarters, and fuel, commissary stores and medical supplies, transportation, rents, repairs, and building of schools and asylums, and pay of superintendents of schools, clerks, agents, and officers of the bureau, telegraphing and postage, and a few incidental expenses, such as the necessary employment of colored laborers, with a view to ameliorate their condition.

The accounts of the States comprise charges for moneys expended by them in enrolling, subsisting, clothing, supplying, arming, equipping, paying, and transporting its troops employed in aiding to suppress the insurrection against the United States.

*Report of the operations of this division for the fiscal year ending June 30, 1869.*

	Money accounts.		Number of property accounts.
	No.	Amount.	
Remaining on hand June 30, 1868.....	4	\$48, 176 35	50
Received during the fiscal year.....	185	2, 044, 046 49	1, 210
Total.....	189	2, 710, 224 84	1, 260
Reported during the fiscal year.....	134	2, 044, 885 03	1, 234
Remaining on hand June 30, 1869.....	55	665, 339 81	26

The following is a report of the operations of this division for the quarter ending September 30, 1869 :

	Money accounts.		Number of property accounts.
	No.	Amount.	
Remaining on hand June 30, 1869.....	55	\$665, 329 81	36
Received during the quarter.....	20	612, 662 22	94
Total.....	75	1, 277, 992 03	130
Reported during the quarter.....	22	285, 293 53	67
Remaining on hand September 30, 1869.....	53	992, 698 50	63

#### REGISTRY DIVISION.

The duties of this division are to register the money accounts of all disbursing officers in the Quartermaster, Commissary, Engineer, Pension, Bureau of Refugees, Freedmen, and Abandoned Lands, and Signal departments, and all returns of internal revenue tax, abstracts of transfers of money, and other miscellaneous papers appertaining to accounts audited in this office; to acknowledge, indorse, register, and file, or transmit the same; to see to their prompt rendition, and to report delinquents to the Second Comptroller, and to answer all queries relative to the indebtedness of deceased, retired, and other officers.

During the fiscal year ending June 30, 1869, there have been received, acknowledged, indorsed, registered and filed, or transmitted to the proper bureaus of the War Department, 9,317 money accounts current of disbursing officers, to wit: Commissary, 4,118; Quartermaster's, 3,105; Engineer, 999; Pension, 730; Bureau Refugees, Freedmen, and Abandoned Lands, 357; Signal, 8. Returns of Internal Revenue tax, abstracts of transfers of money by disbursing officers, and other miscellaneous papers received, acknowledged, recorded and filed, 4,650. Letters received and filed, 211. Letters written to officers relative to their accounts, 393. Receipts for money transferred by disbursing officers recorded, 5,476. Disbursing officers reported to the Second Comptroller as delinquent in the rendition of their accounts, 312. Queries relative to the indebtedness of deceased, retired, and other officers answered, 3,975.

During the first quarter of the fiscal year ending June 30, 1870, there have been received, acknowledged, indorsed, registered and filed, or transmitted to the proper bureaus of the War Department, 2,074 money accounts and accounts current of disbursing officers, to wit: Commissary, 995; Quartermasters, 738; Engineer, 248; Pension, 176; Bureau of Refugees, Freedmen, and Abandoned Lands, 17. Returns of Internal Revenue tax, abstracts of transfers of money by disbursing officers, and other miscellaneous papers received, acknowledged, recorded and filed, 1,084. Letters received and filed, 42. Letters written of officers relative to their accounts, 76. Receipts for money transferred by disbursing officers recorded, 1,181. Disbursing officers reported to the Second Comptroller as delinquent in the rendition of their accounts, 130. Queries relative to the indebtedness of deceased, retired, and other officers answered, 842.

I fully indorse the recommendation of my immediate predecessor, in his report of the 29th October, 1868, viz:

"The experience of the past fully justifies the necessity and propriety of a statute of limitation to all claims against the government, and of

securing the testimony in relation to all such as exist within a reasonable time, and while the facts are attainable. Even now claims for services, &c., in the revolutionary war are frequently arising, where from lapse of time, destruction or decay of records, or total want of knowledge where to look for the facts, effectually prevent the refutation of any statement that may be made. When, in like manner, years shall have elapsed, and by no means the number that have passed since the Revolution, claims will be brought forward for property taken or destroyed during the recent rebellion, and in all probability the least worthy will be the best sustained and first paid. The experience of over the third of a century in the examination of claims causes me to urge this matter on your serious attention."

And I will add to this suggestion that as the practice of rehearing cases by the Auditor, after a full consideration, and a decision once pronounced thereon, is not uniform, in some cases several hearings have been had, and several awards made, sometimes for, sometimes against the claimant, sometimes for one amount and sometimes for another, and all upon substantially the same evidence; sometimes one Auditor overruling his predecessor, and again overruling himself, it would be well, if by some provision by Congress a rule should be prescribed for the adjudications in this office, that uniformity might be preserved, and that a period should be fixed when litigation of claims should have an end.

The technical exactness required in the settlement of the property accounts of army officers is such that it is almost impossible for the majority of them ever to obtain certificates of non-indebtedness, and thus they must remain, for the residue of their lives, apparent defaulters to the government, involving alike their families and their bondsmen. In a very large proportion of the cases, when accounts of officers are suspended, and from which there now appears no visible method of escape, if suits were instituted against them in courts, and the benefit of the rules of testimony afforded them, as are allowed to all litigants in civil courts, very few judgments could be procured against them. Then why hold them bound up by charges that have the crushing force of declared bankruptcy, when, in fact, no legal or equitable claim exists against them? It seems to me that some provision should be made by Congress to remedy this great evil. More than four years have elapsed since the war closed, and yet the rigor of these rules has not been relaxed, and almost every officer in the army, who has inquired after his account, has found himself embarrassed by them, and many of them, in effect, ruined, so far as business reputation and pursuits are concerned. If a claim be such that, with the available proof, the party would be entitled to a judgment in a common law court, he certainly should not be further held to answer here. Give him his certificate of non-indebtedness, let him draw the pay that has been due him for years, and unjustly withheld from him, without interest, and make him once more, what he was before he entered the service of his country, a *free man*.

I respectfully invite your especial attention to the statement of duties assigned the claims division. It is, perhaps, the most important, as regards its effect upon the treasury, of any division of this bureau. For the year ending June 30, 1868, claims were allowed and paid out of the treasury amounting to \$2,990,849, and for the year ending June 30, 1869, claims allowed and paid amount to \$2,234,777. These claims require and receive a rigid examination, and involve, more or less, questions of law, upon the determination of which they are decided. Many of the clerks employed in their examination are lawyers, who, with the

means within their reach, labor faithfully to arrive at correct conclusions, and, as I believe, have generally succeeded; but, having no law library in the bureau, and none within reach, to which convenient access can be had, they have to struggle through their labors at great disadvantage, and of greater peril to the government, in the event of wrong decisions upon the various legal questions presented at almost every step. I therefore suggest that a law library (a very small one, if it must be so) be provided for the bureau, made up of such books as will most likely be especially needed in this division, and thus, in a degree, enable those having important questions to solve to be somewhat prepared by the aid of the library. I am very reluctant to propose anything that the interest of the government suggests, involving the expenditure of money, but the necessity for this demand is so obvious that I cannot forbear bringing it to your notice.

Respectfully submitted.

R. W. CLARKE, *Auditor.*

Hon. GEORGE S. BOUTWELL,  
*Secretary of the Treasury.*

## REPORT OF THE FOURTH AUDITOR OF THE TREASURY.

TREASURY DEPARTMENT,  
*Fourth Auditor's Office, October 15, 1869.*

SIR: In compliance with your request, I present for your consideration a statement of the operations of this office for the fiscal year ending the 30th of June, 1869.

The clerical force of the office is apportioned into eight divisions, each of which is under the direction of a chief, and the work respectively performed during the year is compactly set forth in the following tables:

### I.—PAYMASTER'S DIVISION, WILLIAM CONARD, CHIEF.

*Statement of accounts received and settled in the Paymaster's Division from July 1, 1868, to June 30, 1869, with the amount of cash disbursed in those settled, and the number of letters written in relation to the same.*

Date.	Accounts received.	Accounts settled.	Letters written.	Cash disbursements.
<b>1868.</b>				
July .....	21	16	154	\$324, 753 28
August .....	22	31	148	1, 018, 859 86
September .....	7	14	147	3, 483, 043 13
October .....	23	57	131	5, 147, 372 87
November .....	23	33	116	3, 377, 197 08
December .....	25	39	102	5, 023, 045 72
<b>1869.</b>				
January .....	31	23	177	704, 033 80
February .....	21	41	170	5, 748, 333 86
March .....	25	61	185	3, 263, 437 21
April .....	31	40	289	1, 329, 501 30
May .....	25	36	312	2, 341, 469 60
June .....	25	45	316	2, 513, 943 36
<b>Total .....</b>	<b>279</b>	<b>436</b>	<b>2, 277</b>	<b>31, 954, 991 07</b>

Average number of clerks employed, 19.

## II.—RECORD DIVISION, CHARLES COOK, CHIEF.

*Statement of the correspondence of the Fourth Auditor's Office, for the fiscal year ending June 30, 1869, and the work of the Record Division.*

Date.	Letters received.	Letters written.	Letters recorded.	Letters indexed.	Names indexed and double indexed.	Letters filed.	Number of reported accounts recorded and indexed.	Licenses received and registered.	Letters referred to other bureaus.	Dead letters registered.	Letters written by record division.
1868.											
July .....	1,549	2,397	1,919	9,170	20,219	1,032	67	13	18	45	42
August .....	1,435	1,786	1,114	8,063	17,855	895	67	8	16	32	34
September .....	1,391	1,483	1,592	3,149	6,795	1,010	11	11	30	43	52
October .....	1,461	1,781	2,508	9,712	17,947	893	45	4	35	15	46
November .....	1,228	1,420	2,151	10,566	21,059	782	174	4	28	26	48
December .....	1,474	2,014	1,158	12,090	23,754	1,033	80	7	10	16	40
1869.											
January .....	1,448	1,960	1,965	13,236	26,743	1,041	67	4	13	19	39
February .....	1,423	2,029	2,915	10,379	20,785	937	4	4	7	31	34
March .....	1,660	2,171	2,693	10,135	24,458	1,118	175	4	3	40	30
April .....	1,619	2,272	1,999	8,936	22,880	1,012	138	2	10	25	419
May .....	1,777	2,010	2,475	9,147	20,241	1,078	186	262	3	23	327
June .....	1,518	2,032	2,273	6,457	11,715	1,070	272	44	9	15	55
Total .....	17,983	23,355	24,762	111,040	234,451	11,901	1,204	367	182	330	1,166

Average number of clerks employed in record division during the year, 11.

## III.—PRIZE MONEY DIVISION, S. M. B. SERVOS, CHIEF.

*Statement of work done by the Prize Money Division during the fiscal year ending the 30th June, 1869.*

Date.	Prize lists.			Letters.		Claims.		Prize money.
	Number of prize lists received.	Number of prize lists made up.	Amount of prize money for distribution.	Number of letters received.	Number of letters written.	Number of claims received.	Number of claims settled.	Amount of prize money paid.
1868.								
July .....	1	1	\$20,061 75	483	1,144	95	76	\$6,844 86
August .....				416	603	87	82	7,196 11
September .....	11	2	686 76	373	480	255	259	16,633 64
October .....		9	46,166 72	390	545	98	121	14,098 58
November .....		12	22,267 77	322	413	108	76	12,306 64
December .....				417	710	1,144	1,198	38,243 53
1869.								
January .....	1	1	18,232 65	459	770	237	258	17,119 40
February .....				481	936	141	132	21,785 56
March .....	2			736	902	148	51	5,406 87
April .....		2	33,528 09	606	702	187	84	46,073 30
May .....	16	40	51,327 28	588	549	544	475	43,040 89
June .....	8	2	1,486 49	542	781	106	56	5,084 99
Total .....	39	59	193,957 53	5,803	8,535	3,150	2,868	235,834 37

Average number of clerks employed, 5½.

## IV.—ALLOTMENT DIVISION, WILLIAM L. WALLER, CHIEF.

*A tabular statement of work performed in the Allotment Division, for the fiscal year ending June 30, 1868.*

Date.	Letters received.	Letters written.	Allotments examined and adjusted.	Allotments discontinued.	Allotments registered.
1868.					
July.....	116	130	18	89	13
August.....	85	93	3	18	3
September.....	123	111	14	161	14
October.....	85	101	40	67	40
November.....	67	112	65	57	65
December.....	68	98	39	62	39
1869.*					
January.....	63	98	103	59	103
February.....	84	122	184	67	184
March.....	83	137	69	54	69
April.....	75	100	29	56	29
May.....	120	132	70	51	70
June.....	90	95	22	77	22
Total.....	1,059	1,319	656	818	656

Clerks employed, 2.

## V.—BOOKKEEPER'S DIVISION, PARIS H. FOLSOM, CHIEF.

*Statement of the work performed in the Bookkeeper's Division for the fiscal year ending June 30, 1869.*

	Number.	Amount.
Cash pay requisitions.....	1,350	\$23,579,322 44
Cash refunding requisitions.....	563	3,552,199 36
Internal revenue.....		283,388 25
Hospital fund.....		83,980 65

Average number of clerks employed, 3.

## VI.—NAVY AGENT'S DIVISION, WILLIAM F. STIDHAM, CHIEF

*Annual report of the Navy Agent's Division for the fiscal year ending June 30, 1869.*

Date.	Accounts received.	Accounts settled.	Amount involved.	Letters written.	Letters received.
1868.					
July.....	8	8	\$1,562,965 31	35	38
August.....	14	8	420,724 58	26	28
September.....	10	13	1,942,773 78	20	22
October.....	40	43	1,766,397 40	30	30
November.....	29	29	229,813 21	25	29
December.....	22	26	1,684,634 29	40	30
1869.					
January.....	67	66	472,492 68	54	39
February.....	72	67	2,204,443 03	47	23
March.....	134	136	105,286 26	22	20
April.....	111	113	440,560 57	21	26
May.....	74	75	1,403,916 40	27	33
June.....	77	79	894,725 97	18	20
Total.....	658	663	13,128,733 48	365	328

# REPORT OF THE SECRETARY OF THE TREASURY. 137

*Statement of amount paid by navy agents for allotments during the year 1868.*

New York.....	\$175,659 00
Boston.....	59,446 00
Philadelphia.....	52,797 00
Washington.....	24,475 50
Baltimore.....	13,589 50
Portsmouth.....	9,213 50
<b>Total.....</b>	<b>335,180 50</b>

Accounts remaining on hand June 30, 1869, none;\* average number of clerks employed, 7; number of vouchers examined, 33,291.

## VII.—GENERAL CLAIM DIVISION, A. C. ADAMSON, CHIEF.

*Annual report of the General Claim Division for the fiscal year ending June 30, 1869.*

Date.	Claims received.	Claims settled.	Amount involved.	Letters written.	No. of reports on applications for pensions.	No. of reports on applications for bounty land.	No. of reports on applications for admission to naval asylum.
On hand July 1, 1868.....	425						
1868.							
July.....	198	247	\$14,902 05	717	5		3
August.....	197	110	5,925 49	607	3	2	3
September.....	171	116	4,435 25	490	8		1
October.....	199	157	8,576 65	842	7		1
November.....	145	185	17,751 89	590	7	3	2
December.....	167	192	16,223 93	757	12	2	
1869.							
January.....	115	240	17,995 20	699	12	1	1
February.....	122	134	12,386 77	603	7		
March.....	161	188	15,606 19	793	15	1	1
April.....	165	244	16,083 06	700	20	2	1
May.....	191	260	26,597 19	710	13	7	1
June.....	164	184	12,295 42	602	29	13	3
<b>Total.....</b>	<b>2,420</b>	<b>2,257</b>	<b>168,779 09</b>	<b>8,170</b>	<b>138</b>	<b>31</b>	<b>18</b>

Average number of clerks employed, 8.

## VIII.—PENSION AND MARINE DIVISION, GEORGE M. HEAD, CHIEF.

The total number of accounts settled during the year ending June 30, 1869, is 312, embracing 3,900 minor accounts and involving disbursements to the amount of \$1,412,340 18, viz:

272 accounts of navy pension agents.....	\$566,448 01
7 accounts of disbursing officers of the Marine Corps.....	820,269 80
32 individual accounts of marines and others.....	4,110 74
1 account of naval storekeeper.....	21,511 63
<b>Total.....</b>	<b>1,412,340 18</b>

The number of requisitions registered is 72, viz: 6 in payment of arrears due to navy pensioners; 5 refunding and transfer requisitions, and 61 for advances to pension agents. The number of names added to the pension rolls during the year is 381. The number of letters written is 780. Number of clerks employed, 3.

The number of accounts in the paymaster's division has been reduced

\* Although the above statement shows that there were no accounts remaining on hand in this division June 30, 1869, it is proper to state that the large number of personal and other accounts standing open on the ledgers, the settlements of which have been added to the duties of the navy agents' division during the last fiscal year, are not included in the column of "accounts received" until the date of their adjustment.

in a most gratifying and satisfactory manner. The clerks employed are able to accomplish more work in a given time than ever before. This results from the experience they have acquired, and the intimate knowledge of details which they gain from year to year—a proof of the advantage to the government of always having skilled and proficient labor. The condition of the work and of the accounts in the paymaster's division is as desirable and excellent as is practicable.

The tabular statement of the record division shows that the number of letters received is less than in preceding years, as naturally results from the diminution of business growing out of the rebellion. But an inspection of the table will show that, with a less number of clerks than heretofore, an amount of work has been done fully equal in proportion to the amount of former periods. The valuable indexes to the correspondence of the office, on which this division is engaged, in conjunction with other duties, are making excellent progress, and will be of great and permanent value.

In the prize division many improvements have been adopted during the past year, which are of much advantage to the government. New methods of preventing frauds and insuring prompt and certain payments to claimants have been devised, and a number of agents who were guilty of dishonesty have been detected, prosecuted, convicted, and sent to prison. A very satisfactory amount of work has been done by this division. Besides what is noted in the table, during the year one clerk has been employed in neatly copying the prize lists into a suitable volume, where they will be in a handsome, convenient, and permanent form. Notwithstanding the time which has elapsed since the subjugation of the rebellion, new prize lists are coming in from time to time, and a great many claimants have never yet made application and received their money. This will make the labors of this division requisite for a considerable period to come.

The allotment division, in consequence of the reduction of the force of this office, which took place during the month of June last, was merged in the paymaster's division, where the work will be performed with the same punctuality and accuracy as heretofore.

In connection with the bookkeeper's division, I would say that when I entered upon the duties of this office I found unadjusted balances on its books against a very large number of persons, which had been accumulating for more than half a century, and whose aggregate amount was of great magnitude. During the continuance of the late rebellion, and until a recent period, the dispatch of current business, whose necessity was immediate and imperative, rendered it impossible to give proper attention to the settlement of these personal accounts. As soon, however, as it could be done, I commenced notifying these parties, where their address could be obtained, to cancel or adjust the indebtedness standing against them. Recently I have had a complete list made of the persons who thus stand indebted, and shall effect a settlement as speedily as possible in every case where it is yet practicable. Without including any of those officers in the list who are now in the service, I find the amounts are as follows:

Debits.....	\$17, 840, 856 70
Credits.....	13, 991, 021 58
	<hr/>
	3, 849, 835 12
	<hr/>

Here, it will be seen, is a nominal balance due the United States, in round numbers, of nearly four millions of dollars, and after the allow



ance of all outstanding credits which may be presented in the course of settlement; there will probably be a final balance of nearly or quite two millions. It is very important that this business should be completed with as much expedition as the current transactions and the clerical force at my disposal will permit. I have, therefore, added *one* more clerk to the *two* hitherto comprising the bookkeeper's division. Besides this work, there has been opened in this division a defaulters' ledger, for all amounts where persons are out of the service and no representatives can be found. Also an appropriation ledger has been opened, by means of which the state and amount of any appropriation can be ascertained at a glance. New and increased care, as well as improved methods, have been applied to the books, and they were never at any former period in so neat, accurate, and accessible condition as now.

The tabular statement of the navy agent's division shows that the large number of six hundred and sixty-three accounts were settled during the last fiscal year, involving an amount of more than thirteen millions of dollars. The number of accounts settled by this division during the last fiscal year is vastly larger than during the previous twelve months. This arises from the fact that more than six hundred of them are those *personal accounts* to which I have already called attention, a large number of which can be dispatched in less time than *one regular navy agent's* account. The amount of labor, accuracy, accountant skill, and other indispensable clerical qualities which are required for the proper adjustment of these last, can only be known by those who are acquainted with them, or who have made a special examination of the matter. The amount of work performed by the navy agent's division was quite as large last year as this, and yet an inspection of the tabular statements of the two years would lead a person who was ignorant of the circumstances in the case to suppose otherwise. What is true of this division is also true of others, and shows that tabular statements, necessary as they are, and however carefully prepared, are not a correct index of the amount of work performed or demanded, unless accompanied by explanatory details, which cannot always be given without the employment of too much space. In the navy agent's division the current work was brought up to date at the close of the fiscal year, and the immense accumulations occasioned by the rebellion were finally wiped away. Hereafter current work will receive prompt attention, though to close up the personal accounts would alone be sufficient to employ this division for a long time.

The general claim division has been assiduously employed in its complex and responsible duties. The peculiar character of many of the claims which are there adjusted I specified in my report of last year. There is no division where so many letters involving nice and important legal points require preparation. This portion of the correspondence, the execution of which would be impracticable without much legal knowledge and careful research, has been most satisfactorily performed. The number of clerks employed in this division is nearly one-third less than during the previous year.

The pension and marine division, owing to the reduction of the force of the office, has been merged in the paymaster's and general claim divisions. The clerk, however, who has hitherto been its chief, continues to be employed upon the work, and to transact it in the same capable manner with which he has for years conducted it.

A ninth division might, perhaps, be added to those enumerated, although the duties are performed by one clerk, Mr. B. P. Davis, who has attended to the disbursements of the office, the monthly rep

attendance and absences, the various statements requested from time to time by the department, the making out of the current requisitions, the charge of the stationery, and a variety of other miscellaneous and important work, uniformly performed with promptitude and ability.

The files of the office, which are very voluminous and of great importance, have been moved no less than four times during the last six years, owing to the exigencies and necessary changes in the occupancy of the treasury building. Every transfer of these files delays and deranges business, is inevitably productive of damage to a greater or less degree, and is attended with liability to actual loss. They are at this time in a process of arrangement in new quarters, and it is to be hoped that when they are once more placed in excellent and commodious order they will be able to remain permanently in that condition. It has been my aim to have the files arranged in so convenient a manner as to make them readily accessible and as convenient for research and consultation as the books of a well-kept library.

There is one important matter connected with the office to which I beg leave to call your particular attention. This is the inadequacy of the bonds which are now required of paymasters of the navy. Acting assistant paymasters now give bonds in the sum of five thousand dollars, assistant paymasters in the sum of ten thousand dollars, passed assistant paymasters in the sum of fifteen thousand dollars, and paymasters in the sum of twenty-five thousand dollars. These sums are insufficient to guard the government from loss. These officers are not unfrequently intrusted with moneys to an amount twenty times that of their bonds, and their expenditures often reach hundreds of thousands of dollars in the course of twelve months, and during the war in many cases even to millions. The accounts of many paymasters have now reached the period of *final* settlement, which, from the nature of their orders and position, could not be had heretofore. It is found in *many* cases that there is an indebtedness to the government in sums varying from several thousand to fifty thousand dollars, and the bondsmen to the parties in question are only liable in sums ranging from five to twenty-five thousand dollars. I would recommend that Congress remedy this evil and protect the government by passing an act requiring a bond of paymasters of the various ranks adequate to the necessities of the case. The sum should be a large one. From fifty to one hundred thousand dollars would not be too great. The history of the accounts now in process of settlement in this office are fully corroborative of this view. In this connection, however, I am pleased to pay a just tribute of praise to the paymasters of the navy as a class, and to testify to their ability and integrity, their courtesy as gentlemen, and their efficiency as officers. Nevertheless, the evils exist of which I speak, and I have deemed it my duty to call your attention to them. As a concluding illustration of the amounts placed in the hands of paymasters, I would say that during the last three years 2,832 requisitions have passed this office each for \$50,000 and less, 208 requisitions for sums between \$50,000 and \$75,000, 117 requisitions for sums between \$75,000 and \$100,000, and 150 requisitions for sums more than \$100,000.

\* \* \* \* \*

With the highest esteem, I have the honor to be, very respectfully,  
your obedient servant,

STEPHEN J. W. TABOR, *Auditor.*

Hon. GEORGE S. BOUTWELL,  
*Secretary of the Treasury.*

## REPORT OF THE FIFTH AUDITOR OF THE TREASURY.

TREASURY DEPARTMENT,  
*Fifth Auditor's Office, October 18, 1869.*

SIR: I have the honor to herewith submit to you the annual report of this office for the fiscal year ending June 30, 1869.

The tabular statement of expenses of assessing the internal revenue for the fiscal year ending 30th June, 1869, is necessarily omitted in consequence of the delay in the adjustment of the accounts of the disbursing officers. This delay was caused, in part, by the numerous changes of revenue officers, which largely increased the number of accounts to be kept, and which otherwise added to the labor of examination and adjustment; in part, by the accounts not reaching the office until after the usual time, and in part by the decrease of the clerical force of the office, made necessary by the limit of the appropriation for the current year. The omission will be supplied by a supplementary statement, which will be prepared before the meeting of Congress.

The amount of fees received by salaried consuls compared with former years is very satisfactory, and shows a considerable margin in favor of the treasury. I am led to the conviction that the salaries now paid to many of our consuls are not adequate, and that the surplus, or part of the surplus, of fees collected at certain consulates might, with benefit to the government, be added to certain salaries. The representatives of this government ought to be placed on an equal footing with those of any other power in the world. The absence of sufficient recompense, in some instances at least, leads to abuses, which are alike discreditable to the incumbent and his country.

In the matter of accounts for the relief of seamen, flagrant abuses exist, many of which can only be detected and corrected by personal visits to consular offices, and inspection and investigation by those familiar with the service and the mode of making up these accounts and vouchers.

Considerable embarrassment exists from the delay in the transmission of some of the accounts of consuls to this bureau, and to the Department of State. If this evil could be remedied, much labor here, in the matter of the examination and payment of drafts, and in other particulars, would be saved.

At the breaking out of the rebellion, in 1861, quite an amount was due to the government from ministers, consuls, and commercial agents abroad, as appears from our books, summing up, in the aggregate, one hundred thousand dollars, (\$100,000 00.) Since then the amount due from ministers, consuls, and agents has increased, and stands at the present time at one hundred and seven thousand seven hundred and sixty-six dollars and ninety-nine cents, (\$107,766 99.) I am calling upon such debtors to the government, and their bondsmen, for a settlement of these apparent balances. In case of failure to receive evidence of payment into the treasury, I shall put statements of the accounts in the hands of the proper officer of the department, for further and final action.

Upon the appointment of a new revenue collector, under the law, as it now stands, the uncollected tax lists are delivered to the incoming collector, but he is not charged with them, or held responsible by the government for them. The outgoing collector has already been charged with them, and the government continues to hold him and his bondsmen for the amount, until voluntarily accounted for by the new collector. Millions of dollars are annually involved in this condition. The system

is wrong in principle, and works badly in every way. The new collector, having large lists in his possession with which he is not charged, can, if he chooses, in the first months of his administration, deposit enough to keep the United States in debt to him, as far as the books show, and still retain large sums in his possession. Not being held accountable for these old lists, he has not sufficient motive to pay over promptly, or for collecting the scattered and difficult portions, or having the worthless items abated and closed out. Large amounts stand charged to the ex-collector long after they should have been accounted for. The injustice of holding the ex-collector and his sureties responsible for tax lists delivered by him to his successor, and over which he has no control, or authority whatever, must be apparent. Each retiring collector *appears* to be largely in debt to the United States. On the 15th of December, 1868, the amount thus standing against ex-collectors was ten million five hundred and forty thousand seven hundred and fifty-five dollars and seventy-eight cents, (\$10,540,755 78.) At the present time it, beyond question, exceeds this. The accounting officers cannot determine how much of this indebtedness is real, and how much nominal, until these old lists are closed, and voluntarily accounted for by each successor, which is usually years after, and sometimes never. If the indebtedness is real, it gives the retiring collector and his bondsmen plenty of time to dispose of their property, if so inclined, before the United States officers can proceed against them. Besides, the bondsmen may be released by laches. Any amount found due the retiring collector for compensation or expenses, is necessarily withheld until the tax lists charged against him are accounted for, and where the indebtedness proves to have been only nominal, the withholding of the pay for years is unjust. These evils can be remedied by a provision in the law to the following effect: "When a collector has been appointed and qualified, all the lists of uncollected taxes of the district shall be delivered and charged to him. His receipt for said lists shall be sufficient to authorize the accounting officers of the treasury to carry the amount to the credit of the ex-collector from whom received, but such credit shall not discharge said ex-collector, or his sureties, from any liability incurred before or at the delivery of said tax lists." The language of such a provision should be such as to hold the retiring collector and his sureties responsible for any loss that may accrue, by his failure to collect at the proper time, or perform his duty in any manner, *before* he delivers the lists, and for any sums that may have been collected and not credited, notwithstanding the credit for the transfer. This transfer releases him and his sureties from any accountability for what may happen to the lists after their delivery to his successor. The present law is inoperative, for the reason that the Commissioner cannot make the certificate required.

Accounts for refunding taxes are stated in this office, but, by law, the Auditor's authority is limited to carrying out the decisions of the Commissioner of Internal Revenue, and the Commissioner's more important duties forbid his giving personal attention to each claim. The amount refunded for the year ending June 30, 1868, was one million eighteen thousand three hundred and thirty-four dollars and eighty-one cents, (\$1,018,334 81,) and for the year ending June 30, 1869, three hundred and fifty-three thousand seven hundred and seventy-two dollars and fifty-three cents (\$353,772 53.) This reduction is caused, largely, by the amount of claims not yet passed upon by the Commissioner. The contradictory decisions of different Commissioners open a wide field for these claims, which is being occupied by agents, who are stirring them up in all sec-

tions. A portion of the claims paid within the past two years, for instance, are for tax on beer now claimed to have been manufactured before September 1, 1862. The distance of time and the imperfect investigation, which investigation is mainly an examination of *ex parte* statements, render it difficult to reach the merits. A law limiting the time for presenting a claim to one or two years would largely abate the danger of abuse in this direction. I would also suggest a provision of law creating a board of officers, of a semi-judicial character, whose duty should be to fully investigate and pass upon all claims for refunding and abating.

Under a former administration, several assessors, collectors, and assistant assessors were appointed in some of the southern States who could not take the oath prescribed by law, but who entered upon their duties after subscribing to "a qualified oath." They performed the work of their respective offices for a short period, but, as the law prohibits payment for their services, bills for the same have been disallowed in this office. Having performed their labor in good faith, by direction of those in power, equity would seem to require that authority should be given by Congress for their payment.

Soon after entering upon the duties of this office my attention was given to the subject of allowances to assessors of internal revenue for clerk-hire, and I became satisfied that a reform in this direction was very much needed, and with proper effort could be effected. The amount paid to assessors for this purpose, for the fiscal year ending June 30, 1868, was three hundred and sixty-one thousand five hundred and thirteen dollars and eight cents, (\$361,513 08,) while for the year ending June 30, 1867, the sum paid was three hundred and two thousand nine hundred and ten dollars and forty-nine cents (\$302,910 49) only, showing an increase for 1868 of fifty-eight thousand six hundred and two dollars and fifty-nine cents, (\$58,602 59.) The collections for the fiscal year ending 30th June, 1867, were two hundred and fifty-four million four hundred and nine thousand six hundred and fourteen dollars and eighty-one cents, (\$254,409,614 81,) and in 1868 they had fallen to one hundred and seventy-eight million four hundred and fifty-one thousand and twelve dollars and sixty four cents, (\$178,451,012 64,) being a difference of seventy-five million nine hundred and fifty-eight thousand six hundred and two dollars and seventeen cents, (\$75,958,602 17.) These two comparisons show conclusively that while the revenue was largely decreasing, the expenses of clerk-hire were increasing. Although it may not be true that the amount of collections should determine the cost for clerks in all cases, it is quite evident that changes in the laws which reduce largely the number of persons and articles subject to taxation cannot tend, in any considerable degree, to an increase of the labor in making the assessments and keeping the records. It is certain that, in consequence of the recent changes of laws, the revenue is now collected from a less number of persons by nearly one-third than in 1867. It is the natural tendency of all allowances, not definitely fixed by law, to run into abuses, and the personal and political influence at command of an officer, persistence in urging his demands and craftiness in their presentation, are often found to have quite as much to do in arranging such allowances as the business necessities of the office or the good of the service. If an energetic, enterprising officer desires to engage in some other business, requiring a considerable portion of his time, he has to employ one or more clerks of sufficient ability and character to manage the office. In every case of this kind the government has to pay for the services of two principals in lieu of one, as intended by the law. Offi-

ces being situated at a distance from the department, it is not easy to ascertain, satisfactorily, at all times, the way in which they are managed, and it is chiefly by comparing those that are best known, and known to be well conducted, with the others, that an approximation of fairness can be made in allowances of this kind to assessors. To make these comparisons the Comptroller and Commissioner of Internal Revenue joined with me in appointing three experienced clerks, one from each of our respective offices, most fully acquainted with the returns and with the duties of assessors, who, with great care and deliberation, considered the whole subject, made an examination of the returns and reports of every district in the country, and recommended changes which, while proposing an increase in a few districts, would make an aggregate saving of forty thousand seven hundred and thirty-one dollars (\$40,731) for the current year. This schedule has been adopted with but little alteration. With a disposition upon the part of assessors to second this effort, I believe no permanent injustice will come to any one, while a sum worth the undertaking will be saved to the treasury. It is probable that, upon further investigation, by personal examination of the several offices by competent persons, even a further reduction may be effected.

The power of the accounting officers of the Treasury to thus regulate the expenditure for clerk-hire was practically nullified by the custom of assessors in many districts, who detailed more or less of their assistant assessors to perform clerical work in the assessor's office, and whose bills for strictly clerical labor were approved and paid to them in their capacity as assistant assessors. How far this abuse has extended is not known, but in some districts there is evidence to show that a greater sum was expended for clerical services than the amount that had been granted as a regular allowance for clerk hire in the same districts. It is not supposed that this was done, in all cases, to defraud the government, but being manifestly in violation of the law, and a convenient cover for frauds, if any were intended, notice was issued from this office, with the approval of the Comptroller of the Treasury indorsed thereon, to all collectors and assessors to discontinue the practice, and payment was stopped on all bills of that character incurred after the notice had been served. This has also contributed materially to reduce the expense of assessor's offices since the 1st of July last.

The cost of advertising notices issued by assessors and collectors of internal revenue, not appearing to be regulated by any rule, but being subject to the varying ideas of different assessors and collectors, as to the proper amount to be expended, had, in many instances, become excessive. In conjunction with the First Comptroller, I have issued directions to those officers to confine their advertising to the notices required by law to be published, and to the number of papers expressed in the act. This order could not go into operation until the commencement of the current fiscal year, and the results will not be manifest until the accounts shall have been adjusted for this year; but I am confident that the diminution in many districts will be at least one-half of the former annual sum. The total cost of this kind of advertising for the last year was, it will be seen by the annexed schedule H, seventeen thousand five hundred and sixty-two dollars and eighteen cents, (\$17,562 18.)

\* \* \* \* \*

Our business is now so large that it is impossible for the Auditor to examine details, and he must often *sign* official papers and documents without thorough personal knowledge of their contents, and which are executed solely on trust, and in confidence in the capacity, discernment,

and fidelity of some of his clerks. The office, at present, is not so organized as to meet the demands of the service, and I have to respectfully recommend, in lieu of the present force and division of clerks, the following schedule, which I am confident will secure a better administration of the duties devolving upon it:

One chief clerk.  
 Four heads of divisions.  
 Four clerks of class four.  
 Eight clerks of class three.  
 Eight clerks of class two.  
 Seven clerks of class one.  
 Seven female copyists.  
 One messenger.  
 One assistant messenger.  
 Two laborers.

I have the honor to be, very respectfully,

HENRY D. BARRON, *Auditor.*

Hon. GEORGE S. BOUTWELL,

*Secretary of the Treasury.*

**II.—Statement showing the expenses of collecting the internal revenue taxes in the several collection districts, including the commissions, salaries, and extra allowances of the collector; the office expenses which are paid out of the commissions and extra allowances, and the assessments and collections from July 1, 1887, to June 30, 1888.**

District.	Gross compensation.	Tax.	Net compensation.	Stationery and blank books.	Postage.	Express and dep't. money.	Advt'ising.	Total expense of collecting.	Expenses of administering offices.	Assessments.	Collections.
<b>MAINE.</b>											
First district.....	\$9,318 06	\$192 96	\$9,125 10	\$332 56	\$332 12	.....	\$30 30	\$9,092 04	\$4,458 75	\$742,962 12	\$771,508 30
Second district.....	7,350 36	276 34	7,344 02	71 09	188 00	.....	21 50	7,840 95	993 50	381,402 67	404,572 56
Third district.....	5,689 84	149 78	5,540 06	87 40	103 27	.....	9 50	5,890 01	1,694 16	212,963 67	218,964 12
Fourth district.....	4,909 17	129 95	4,779 22	143 58	169 87	.....	68 94	5,391 56	1,309 02	144,569 79	137,670 32
Fifth district.....	4,074 00	52 15	4,021 85	33 55	39 48	56 00	19 50	4,322 53	2,031 00	85,708 71	85,900 00
Total.....	31,511 43	841 18	30,710 25	589 18	858 74	56 00	149 74	33,164 09	10,387 03	1,567,537 16	1,618,325 34
<b>NEW HAMPSHIRE.</b>											
First district.....	8,493 39	271 72	8,221 66	148 79	205 08	8 85	45 50	8,992 27	2,050 08	600,189 46	598,678 99
Second district.....	10,600 87	297 85	10,303 02	125 71	143 46	.....	48 00	10,976 04	3,703 70	1,151,469 62	1,128,094 46
Third district.....	5,607 38	88 03	5,519 35	110 29	170 00	.....	47 00	5,954 67	2,846 67	212,760 57	210,737 09
Total.....	24,701 63	657 60	24,104 03	384 79	519 14	8 85	140 50	25,814 91	8,609 45	1,972,419 85	1,958,111 14
<b>VERMONT.</b>											
First district.....	5,069 30	116 29	5,352 41	22 95	150 00	.....	.....	5,849 25	2,331 41	308,058 92	317,100 66
Second district.....	5,877 60	151 03	5,696 57	.....	163 83	.....	.....	6,001 43	1,816 75	151,298 70	180,532 59
Third district.....	5,367 63	115 91	5,252 42	25 11	70 89	.....	69 19	5,529 34	2,063 34	175,559 57	186,763 30
Total.....	16,274 53	383 13	16,491 40	48 06	384 83	.....	69 19	17,376 41	6,311 40	534,946 29	584,425 45
<b>MASSACHUSETTS.</b>											
First district.....	10,490 78	227 33	10,270 45	47 36	300 08	.....	171 12	11,009 34	5,084 01	1,198,290 85	998,155 64
Second district.....	10,643 51	194 29	10,446 92	89 77	209 00	17 25	54 50	11,005 33	5,751 22	1,069,115 10	1,115,000 07
Third district.....	15,400 64	231 29	15,079 35	379 22	1,226 70	.....	51 00	16,956 56	7,974 69	5,445,568 67	5,104,026 57
Fourth district.....	11,491 96	185 02	11,306 34	302 22	374 00	.....	36 00	12,094 18	6,779 34	1,773,171 99	1,798,537 96
Fifth district.....	10,289 69	167 07	10,122 62	153 62	392 61	.....	22 75	10,956 67	5,948 23	1,077,318 77	1,071,755 77
Sixth district.....	11,364 80	199 35	11,165 45	190 71	448 00	3 00	52 60	12,079 41	6,397 50	1,772,400 19	1,683,457 17
Seventh district.....	11,726 37	267 93	11,458 44	156 38	588 13	.....	52 25	12,535 03	5,371 70	2,070,169 57	1,969,029 67
Eighth district.....	11,160 33	339 65	10,829 68	147 84	311 85	.....	68 75	11,589 77	3,547 24	1,533,716 67	1,528,267 92
Ninth district.....	10,242 77	193 72	10,049 05	122 65	229 15	.....	53 00	10,678 17	5,268 31	897,284 69	946,553 72
Tenth district.....	11,266 97	163 42	11,103 55	132 71	114 00	.....	.....	11,515 68	7,000 48	1,352,549 68	1,615,176 62
Total.....	114,499 62	2,363 97	112,145 85	1,484 46	3,994 02	31 45	551 37	120,461 14	50,129 72	18,183,596 26	17,853,823 74



1899-1900		1900-1901		1901-1902		1902-1903		1903-1904		1904-1905		1905-1906		1906-1907		1907-1908		1908-1909		1909-1910		1910-1911		1911-1912		1912-1913		1913-1914		1914-1915		1915-1916		1916-1917		1917-1918		1918-1919		1919-1920		1920-1921		1921-1922		1922-1923		1923-1924		1924-1925		1925-1926		1926-1927		1927-1928		1928-1929		1929-1930		1930-1931		1931-1932		1932-1933		1933-1934		1934-1935		1935-1936		1936-1937		1937-1938		1938-1939		1939-1940		1940-1941		1941-1942		1942-1943		1943-1944		1944-1945		1945-1946		1946-1947		1947-1948		1948-1949		1949-1950		1950-1951		1951-1952		1952-1953		1953-1954		1954-1955		1955-1956		1956-1957		1957-1958		1958-1959		1959-1960		1960-1961		1961-1962		1962-1963		1963-1964		1964-1965		1965-1966		1966-1967		1967-1968		1968-1969		1969-1970		1970-1971		1971-1972		1972-1973		1973-1974		1974-1975		1975-1976		1976-1977		1977-1978		1978-1979		1979-1980		1980-1981		1981-1982		1982-1983		1983-1984		1984-1985		1985-1986		1986-1987		1987-1988		1988-1989		1989-1990		1990-1991		1991-1992		1992-1993		1993-1994		1994-1995		1995-1996		1996-1997		1997-1998		1998-1999		1999-2000		2000-2001		2001-2002		2002-2003		2003-2004		2004-2005		2005-2006		2006-2007		2007-2008		2008-2009		2009-2010		2010-2011		2011-2012		2012-2013		2013-2014		2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020		2020-2021		2021-2022		2022-2023		2023-2024		2024-2025		2025-2026		2026-2027		2027-2028		2028-2029		2029-2030		2030-2031		2031-2032		2032-2033		2033-2034		2034-2035		2035-2036		2036-2037		2037-2038		2038-2039		2039-2040		2040-2041		2041-2042		2042-2043		2043-2044		2044-2045		2045-2046		2046-2047		2047-2048		2048-2049		2049-2050		2050-2051		2051-2052		2052-2053		2053-2054		2054-2055		2055-2056		2056-2057		2057-2058		2058-2059		2059-2060		2060-2061		2061-2062		2062-2063		2063-2064		2064-2065		2065-2066		2066-2067		2067-2068		2068-2069		2069-2070		2070-2071		2071-2072		2072-2073		2073-2074		2074-2075		2075-2076		2076-2077		2077-2078		2078-2079		2079-2080		2080-2081		2081-2082		2082-2083		2083-2084		2084-2085		2085-2086		2086-2087		2087-2088		2088-2089		2089-2090		2090-2091		2091-2092		2092-2093		2093-2094		2094-2095		2095-2096		2096-2097		2097-2098		2098-2099		2099-2100		2100-2101		2101-2102		2102-2103		2103-2104		2104-2105		2105-2106		2106-2107		2107-2108		2108-2109		2109-2110		2110-2111		2111-2112		2112-2113		2113-2114		2114-2115		2115-2116		2116-2117		2117-2118		2118-2119		2119-2120		2120-2121		2121-2122		2122-2123		2123-2124		2124-2125		2125-2126		2126-2127		2127-2128		2128-2129		2129-2130		2130-2131		2131-2132		2132-2133		2133-2134		2134-2135		2135-2136		2136-2137		2137-2138		2138-2139		2139-2140		2140-2141		2141-2142		2142-2143		2143-2144		2144-2145		2145-2146		2146-2147		2147-2148		2148-2149		2149-2150		2150-2151		2151-2152		2152-2153		2153-2154		2154-2155		2155-2156		2156-2157		2157-2158		2158-2159		2159-2160		2160-2161		2161-2162		2162-2163		2163-2164		2164-2165		2165-2166		2166-2167		2167-2168		2168-2169		2169-2170		2170-2171		2171-2172		2172-2173		2173-2174		2174-2175		2175-2176		2176-2177		2177-2178		2178-2179		2179-2180		2180-2181		2181-2182		2182-2183		2183-2184		2184-2185		2185-2186		2186-2187		2187-2188		2188-2189		2189-2190		2190-2191		2191-2192		2192-2193		2193-2194		2194-2195		2195-2196		2196-2197		2197-2198		2198-2199		2199-2200		2200-2201		2201-2202		2202-2203		2203-2204		2204-2205		2205-2206		2206-2207		2207-2208		2208-2209		2209-2210		2210-2211		2211-2212		2212-2213		2213-2214		2214-2215		2215-2216		2216-2217		2217-2218		2218-2219		2219-2220		2220-2221		2221-2222		2222-2223		2223-2224		2224-2225		2225-2226		2226-2227		2227-2228		2228-2229		2229-2230		2230-2231		2231-2232		2232-2233		2233-2234		2234-2235		2235-2236		2236-2237		2237-2238		2238-2239		2239-2240		2240-2241		2241-2242		2242-2243		2243-2244		2244-2245		2245-2246		2246-2247		2247-2248		2248-2249		2249-2250		2250-2251		2251-2252		2252-2253		2253-2254		2254-2255		2255-2256		2256-2257		2257-2258		2258-2259		2259-2260		2260-2261		2261-2262		2262-2263		2263-2264		2264-2265		2265-2266		2266-2267		2267-2268		2268-2269		2269-2270		2270-2271		2271-2272		2272-2273		2273-2274		2274-2275		2275-2276		2276-2277		2277-2278		2278-2279		2279-2280		2280-2281		2281-2282		2282-2283		2283-2284		2284-2285		2285-2286		2286-2287		2287-2288		2288-2289		2289-2290		2290-2291		2291-2292		2292-2293		2293-2294		2294-2295		2295-2296		2296-2297		2297-2298		2298-2299		2299-2300		2300-2301		2301-2302		2302-2303		2303-2304		2304-2305		2305-2306		2306-2307		2307-2308		2308-2309		2309-2310		2310-2311		2311-2312		2312-2313		2313-2314		2314-2315		2315-2316		2316-2317		2317-2318		2318-2319		2319-2320		2320-2321		2321-2322		2322-2323		2323-2324		2324-2325		2325-2326		2326-2327		2327-2328		2328-2329		2329-2330		2330-2331		2331-2332		2332-2333		2333-2334		2334-2335		2335-2336		2336-2337		2337-2338		2338-2339		2339-2340		2340-2341		2341-2342		2342-2343		2343-2344		2344-2345		2345-2346		2346-2347		2347-2348		2348-2349		2349-2350		2350-2351		2351-2352		2352-2353		2353-2354		2354-2355		2355-2356		2356-2357		2357-2358		2358-2359		2359-2360		2360-2361		2361-2362		2362-2363		2363-2364		2364-2365		2365-2366		2366-2367		2367-2368		2368-2369		2369-2370		2370-2371		2371-2372		2372-2373		2373-2374		2374-2375		2375-2376		2376-2377		2377-2378		2378-2379		2379-2380		2380-2381		2381-2382		2382-2383		2383-2384		2384-2385		2385-2386		2386-2387		2387-2388		2388-2389		2389-2390		2390-2391		2391-2392		2392-2393		2393-2394		2394-2395		2395-2396		2396-2397		2397-2398		2398-2399		2399-2400		2400-2401		2401-2402		2402-2403		2403-2404		2404-2405		2405-2406		2406-2407		2407-2408		2408-2409		2409-2410		2410-2411		2411-2412		2412-2413		2413-2414		2414-2415		2415-2416		2416-2417		2417-2418		2418-2419		2419-2420		2420-2421		2421-2422		2422-2423		2423-2424		2424-2425		2425-2426		2426-2427		2427-2428		2428-2429		2429-2430		2430-2431		2431-2432		2432-2433		2433-2434		2434-2435		2435-2436		2436-2437		2437-2438		2438-2439		2439-2440		2440-2441		2441-2442		2442-2443		2443-2444		2444-2445		2445-2446		2446-2447		2447-2448		2448-2449		2449-2450		2450-2451		2451-2452		2452-2453		2453-2454		2454-2455		2455-2456		2456-2457		2457-2458		2458-2459		2459-2460		2460-2461		2461-2462		2462-2463		2463-2464		2464-2465		2465-2466		2466-2467		2467-2468		2468-2469		2469-2470		2470-2471		2471-2472		2472-2473		2473-2474		2474-2475		2475-2476		2476-2477		2477-2478		2478-2479		2479-2480		2480-2481		2481-2482		2482-2483		2483-2484		2484-2485		2485-2486		2486-2487		2487-2488		2488-2489		2489-2490		2490-2491		2491-2492		2492-2493		2493-2494		2494-2495		2495-2496		2496-2497		2497-2498		2498-2499		2499-2500		2500-2501		2501-2502		2502-2503		2503-2504		2504-2505		2505-2506		2506-2507		2507-2508		2508-2509		2509-2510		2510-2511		2511-2512		2512-2513		2513-2514		2514-2515		2515-2516		2516-2517		2517-2518		2518-2519		2519-2520		2520-2521		2521-2522		2522-2523		2523-2524		2524-2525		2525-2526		2526-2527		2527-2528		2528-2529		2529-2530		2530-2531		2531-2532		2532-2533		2533-2534		2534-2535		2535-2536		2536-2537		2537-2538		2538-2539		2539-2540		2540-2541		2541-2542		2542-2543		2543-2544		2544-2545		2545-2546		2546-2547		2547-2548		2548-2549		2549-2550		2550-2551		2551-2552		2552-2553		2553-2554		2554-2555		2555-2556		2556-2557		2557-2558		2558-2559		2559-2560		2560-2561		2561-2562		2562-2563		2563-2564		2564-2565		2565-2566		2566-2567		2567-2568		2568-2569		2569-2570		2570-2571		2571-2572		2572-2573		2573-2574		2574-2575		2575-2576		2576-2577		2577-2578		2578-2579		2579-2580		2580-2581		2581-2582		2582-2583		2583-2584		2584-2585		2585-2586		2586-2587		2587-2588		2588-2589		2589-2590		2590-2591		2591-2592		2592-2593		2593-2594		2594-2595		2595-2596		2596-2597		2597-2598		2598-2599		2599-2600		2600-2601		2601-2602		2602-2603		2603-2604		2604-2605		2605-2606		2606-2607		2607-2608		2608-2609		2609-2610		2610-2611		2611-2612		2612-2613		2613-2614		2614-2615		2615-2616		2616-2617		2617-2618		2618-2619		2619-2620		2620-2621		2621-2622		2622-2623		2623-2624		2624-2625		2625-2626		2626-2627	
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H.—Statement showing the expenses of collecting the internal revenue taxes in the several collection districts, including the commissions, salaries, and extra allowances of the collector; the office expenses which are paid out of the commissions and extra allowances, and the assessments and collections from July 1, 1867, to June 30, 1868.

District.	Gross compensation.	Tax.	Net compensation.	Stationery and blank books.	Postage.	Express and depts. money.	Advertising.	Total expense of collecting.	Expenses of administering office.	Assessments.	Collections.
<b>MAINE.</b>											
First district.....	\$9,318 06	\$192 96	\$9,125 10	\$252 56	\$538 12	.....	\$30 20	\$9,950 04	\$4,458 75	\$743,963 12	\$771,598 30
Second district.....	7,530 36	376 34	7,154 02	71 00	138 00	.....	21 50	7,850 95	933 50	381,463 67	404,573 50
Third district.....	5,680 84	149 78	5,531 06	87 40	103 97	.....	9 50	5,890 01	1,034 16	912,503 87	918,984 13
Fourth district.....	4,900 17	129 85	4,770 32	143 58	169 87	.....	68 94	5,391 56	1,309 62	144,500 70	147,870 32
Fifth district.....	4,074 00	52 15	4,021 85	33 55	39 48	56 00	19 50	4,222 53	2,031 00	85,798 71	85,800 00
Total.....	31,511 43	801 18	30,710 25	588 18	838 74	56 00	149 74	33,164 69	10,387 03	1,567,537 16	1,618,235 94
<b>NEW HAMPSHIRE.</b>											
First district.....	8,493 38	271 72	8,221 66	148 79	595 68	8 85	45 50	8,902 23	2,050 08	600,189 46	598,678 99
Second district.....	10,660 87	297 83	10,363 04	125 71	143 46	.....	48 00	10,978 04	2,703 70	1,153,469 82	1,128,094 46
Third district.....	5,617 38	88 03	5,529 35	110 29	170 00	.....	47 00	5,934 67	2,846 67	212,760 57	210,737 69
Total.....	24,761 63	657 60	24,104 03	384 79	519 14	8 85	140 50	25,814 91	8,609 45	1,972,410 85	1,938,111 14
<b>VERMONT.</b>											
First district.....	5,069 30	116 89	5,552 41	22 95	150 00	.....	.....	5,842 25	2,331 41	302,088 92	217,100 86
Second district.....	5,837 63	151 03	5,686 57	25 11	163 53	.....	.....	6,001 43	1,816 75	151,298 70	180,323 29
Third district.....	.....	115 21	5,252 42	.....	70 86	.....	69 19	5,332 73	2,063 34	175,559 37	186,763 30
Total.....	10,874 53	383 13	10,491 40	48 06	384 43	.....	69 19	17,376 41	6,311 40	534,946 29	584,925 45
<b>MASSACHUSETTS.</b>											
First district.....	10,490 78	229 33	10,270 45	47 36	300 08	.....	171 12	11,009 34	5,064 01	1,192,390 85	998,155 64
Second district.....	10,643 51	194 50	10,448 92	60 77	329 00	17 25	54 50	11,005 33	5,751 22	1,060,115 10	1,115,000 07
Third district.....	15,400 64	321 29	15,079 35	278 22	1,226 70	.....	51 00	16,956 56	7,974 69	5,445,566 67	5,104,926 57
Fourth district.....	11,401 96	185 62	11,216 34	292 32	362 61	.....	36 00	12,094 18	6,770 34	1,773,171 99	1,798,537 96
Fifth district.....	10,589 09	187 07	10,402 02	123 62	202 01	.....	22 75	10,996 67	5,548 23	1,077,218 77	1,071,735 77
Sixth district.....	11,384 89	199 33	11,185 45	190 71	448 00	3 90	52 00	12,079 41	6,307 50	1,772,490 19	1,683,437 17
Seventh district.....	11,736 37	267 93	11,468 44	138 38	588 13	.....	52 25	12,535 03	5,371 70	2,070,189 57	1,980,092 67
Eighth district.....	11,160 33	330 65	10,829 68	147 84	311 85	.....	53 00	11,588 77	3,547 84	1,533,716 67	1,528,267 52
Ninth district.....	10,242 77	193 72	10,049 05	125 65	129 75	.....	53 00	10,678 17	5,368 31	1,897,264 67	1,948,553 72
Tenth district.....	11,268 97	163 42	11,105 55	132 71	114 00	.....	.....	11,515 68	7,000 48	1,352,549 68	1,615,176 92
Total.....	114,409 82	2,263 97	112,145 85	1,484 48	3,994 02	21 45	551 37	130,461 14	50,128 72	18,183,206 36	17,853,823 74

BROOKS ISLAND.									
First district.....	12,003 85	941 75	11,709 10	247 78	309 13	.....	255 08	12,816 43	2,903,079 94
Second district.....	8,747 48	178 04	8,569 44	47 03	34 00	.....	21 25	8,649 76	649,405 64
Total.....	20,751 33	419 79	20,331 54	294 81	343 12	.....	276 93	21,666 19	2,852,574 88
CONNECTICUT.									
First district.....	11,203 37	224 87	10,979 10	115 93	189 00	70	22 75	11,531 75	1,706,670 84
Second district.....	10,828 96	209 63	10,619 33	170 29	449 99	.....	27 60	11,476 84	1,221,865 65
Third district.....	9,435 32	201 18	9,234 32	68 19	186 61	.....	78 15	9,768 47	771,902 59
Fourth district.....	10,011 80	260 38	9,751 22	110 51	346 00	.....	21 88	10,490 19	1,140,397 75
Total.....	41,479 65	895 66	40,583 99	464 92	1,171 60	70	130 38	43,267 25	4,410,406 41
NEW YORK.									
First district.....	12,529 16	944 18	12,284 08	165 80	179 33	.....	4 95	12,879 34	8,464 50
Second district.....	15,399 30	175 31	15,223 96	254 10	190 00	.....	114 36	15,937 06	9,695,297 53
Third district.....	10,703 90	256 34	10,477 56	304 54	458 42	.....	67 08	11,624 54	2,472,922 78
Fourth district.....	34,970 61	375 00	34,601 61	728 40	809 30	.....	448 56	37,032 77	4,083,401 62
Fifth district.....	10,569 57	164 72	10,424 85	219 67	465 00	.....	305 00	11,499 24	1,092,913 49
Sixth district.....	12,429 90	172 69	12,257 21	248 52	363 80	.....	371 03	13,433 16	2,587,263 02
Seventh district.....	10,728 38	226 51	10,501 87	149 77	369 60	.....	166 60	11,413 73	1,181,146 07
Eighth district.....	19,774 27	200 00	19,574 27	246 47	419 80	.....	15 00	20,614 60	4,305,464 36
Ninth district.....	11,392 34	167 53	11,224 80	279 51	243 00	.....	83 60	11,965 40	1,101,697 57
Tenth district.....	10,301 34	136 11	10,665 23	279 51	730 00	.....	43 80	11,254 74	986,490 09
Eleventh district.....	7,253 48	194 30	7,029 18	59 99	113 31	.....	45 00	7,470 78	375,247 51
Twelfth district.....	9,074 29	153 57	8,951 02	134 41	299 80	50	73 40	9,552 40	714,747 34
Thirteenth district.....	6,343 84	83 99	6,159 85	138 26	34 12	.....	99 20	6,515 42	578,392 97
Fourteenth district.....	10,934 44	281 50	10,652 94	177 56	470 40	.....	4 00	11,366 40	974,383 86
Fifteenth district.....	9,650 44	226 33	9,414 11	185 79	316 68	3 30	95 35	10,351 06	1,346,980 01
Sixteenth district.....	4,717 90	77 40	4,660 59	77 96	171 13	.....	38 34	5,025 66	822,054 84
Seventeenth district.....	4,914 84	79 43	4,835 41	89 41	142 11	.....	40 65	5,108 80	194,551 31
Eighteenth district.....	7,536 33	93 17	7,402 45	89 41	202 78	.....	40 35	7,892 15	137,373 14
Nineteenth district.....	5,494 75	93 17	5,401 58	33 89	146 56	.....	69 10	5,746 17	141,484 45
Twentieth district.....	6,098 11	113 96	6,354 15	224 35	254 32	1 87	72 63	7,092 15	109,475 16
Twenty-first district.....	9,390 34	348 12	9,032 12	73 74	224 32	4 50	52 00	9,631 43	400,131 12
Twenty-second district.....	6,076 77	70 72	6,006 62	77 54	189 00	.....	29 65	6,378 11	319,810 56
Twenty-third district.....	7,723 66	293 34	7,579 32	87 54	76 00	.....	33 90	7,979 20	772,243 47
Twenty-fourth district.....	8,112 00	160 89	7,951 11	105 40	183 74	13 35	80 80	8,495 29	284,236 01
Twenty-fifth district.....	5,765 39	132 00	5,633 39	46 22	204 42	.....	47 50	6,063 53	241,083 49
Twenty-sixth district.....	6,909 68	116 21	6,793 47	75 00	120 79	.....	21 75	7,166 22	441,415 18
Twenty-seventh district.....	5,834 23	91 43	5,742 80	82 10	206 53	.....	32 08	6,154 94	306,847 30
Twenty-eighth district.....	9,050 05	220 54	8,790 51	61 51	243 68	1 00	96 00	9,452 82	340,968 94
Twenty-ninth district.....	6,036 51	111 17	6,025 34	101 86	273 48	75	49 00	7,161 60	250,531 15
Thirtieth district.....	13,140 23	449 47	12,691 06	184 80	260 71	.....	87 45	13,673 49	296,710 48
Thirty-first district.....	5,165 43	156 48	5,008 95	142 07	325 66	.....	29 00	5,453 16	700,037 75
Thirty-second district.....	26,953 19	200 00	26,753 19	1,979 74	1,520 00	.....	212 20	40,665 13	323,650 99
Total.....	343,922 84	5,815 49	337,207 35	7,237 40	10,213 43	145 77	2,921 06	363,540 50	1,928,968 25
NEW YORK.									
First district.....	12,529 16	944 18	12,284 08	165 80	179 33	.....	4 95	12,879 34	8,464 50
Second district.....	15,399 30	175 31	15,223 96	254 10	190 00	.....	114 36	15,937 06	9,695,297 53
Third district.....	10,703 90	256 34	10,477 56	304 54	458 42	.....	67 08	11,624 54	2,472,922 78
Fourth district.....	34,970 61	375 00	34,601 61	728 40	809 30	.....	448 56	37,032 77	4,083,401 62
Fifth district.....	10,569 57	164 72	10,424 85	219 67	465 00	.....	305 00	11,499 24	1,092,913 49
Sixth district.....	12,429 90	172 69	12,257 21	248 52	363 80	.....	371 03	13,433 16	2,587,263 02
Seventh district.....	10,728 38	226 51	10,501 87	149 77	369 60	.....	166 60	11,413 73	1,181,146 07
Eighth district.....	19,774 27	200 00	19,574 27	246 47	419 80	.....	15 00	20,614 60	4,305,464 36
Ninth district.....	11,392 34	167 53	11,224 80	279 51	243 00	.....	83 60	11,965 40	1,101,697 57
Tenth district.....	10,301 34	136 11	10,665 23	279 51	730 00	.....	43 80	11,254 74	986,490 09
Eleventh district.....	7,253 48	194 30	7,029 18	59 99	113 31	.....	45 00	7,470 78	375,247 51
Twelfth district.....	9,074 29	153 57	8,951 02	134 41	299 80	50	73 40	9,552 40	714,747 34
Thirteenth district.....	6,343 84	83 99	6,159 85	138 26	34 12	.....	99 20	6,515 42	578,392 97
Fourteenth district.....	10,934 44	281 50	10,652 94	177 56	470 40	.....	4 00	11,366 40	974,383 86
Fifteenth district.....	9,650 44	226 33	9,414 11	185 79	316 68	3 30	95 35	10,351 06	1,346,980 46
Sixteenth district.....	4,717 90	77 40	4,660 59	77 96	171 13	.....	38 34	5,025 66	194,551 31
Seventeenth district.....	4,914 84	79 43	4,835 41	89 41	142 11	.....	40 65	5,108 80	141,484 45
Eighteenth district.....	7,536 33	93 17	7,402 45	89 41	202 78	.....	40 35	7,892 15	137,373 14
Nineteenth district.....	5,494 75	93 17	5,401 58	33 89	146 56	.....	69 10	5,746 17	141,484 45
Twentieth district.....	6,098 11	113 96	6,354 15	224 35	254 32	1 87	72 63	7,092 15	109,475 16
Twenty-first district.....	9,390 34	348 12	9,032 12	73 74	224 32	4 50	52 00	9,631 43	400,131 12
Twenty-second district.....	6,076 77	70 72	6,006 62	77 54	189 00	.....	29 65	6,378 11	319,810 56
Twenty-third district.....	7,723 66	293 34	7,579 32	87 54	76 00	.....	33 90	7,979 20	772,243 47
Twenty-fourth district.....	8,112 00	160 89	7,951 11	105 40	183 74	13 35	80 80	8,495 29	284,236 01
Twenty-fifth district.....	5,765 39	132 00	5,633 39	46 22	204 42	.....	47 50	6,063 53	241,083 49
Twenty-sixth district.....	6,909 68	116 21	6,793 47	75 00	120 79	.....	21 75	7,166 22	3,585 50
Twenty-seventh district.....	5,834 23	91 43	5,742 80	82 10	206 53	.....	32 08	6,154 94	3,120 73
Twenty-eighth district.....	9,050 05	220 54	8,790 51	61 51	243 68	1 00	96 00	9,452 82	2,853 17
Twenty-ninth district.....	6,036 51	111 17	6,025 34	101 86	273 48	75	49 00	7,161 60	257,164 85
Thirtieth district.....	13,140 23	449 47	12,691 06	184 80	260 71	.....	87 45	13,673 49	700,037 75
Thirty-first district.....	5,165 43	156 48	5,008 95	142 07	325 66	.....	29 00	5,453 16	1,188,243 31
Thirty-second district.....	26,953 19	200 00	26,753 19	1,979 74	1,520 00	.....	212 20	40,665 13	7,602,933 84
Total.....	343,922 84	5,815 49	337,207 35	7,237 40	10,213 43	145 77	2,921 06	363,540 50	39,431,141 73

II.—Statement showing the expenses of collecting the internal revenue taxes, &amp;c.—Continued.

District.	Gross compensation.	Tax.	Net compensation.	Stationery and blank books.	Postage.	Express and dep. money.	Advertising.	Total expense of collecting.	Expenses of administering office.	Assessments.	Collections.
<b>NEW JERSEY.</b>											
First district.....	\$6,010 48	\$111 52	\$6,708 96	\$178 31	\$103 08	.....	.....	\$7,232 77	\$3,630 00	\$275,908 68	\$341,048 46
Second district.....	8,007 01	114 14	7,992 77	150 36	117 82	.....	\$74 08	8,230 17	4,725 04	640,093 92	501,541 49
Third district.....	9,933 37	175 68	9,757 69	195 78	691 06	\$78 00	.....	10,538 55	5,410 55	772,207 68	886,673 68
Fourth district.....	8,331 69	127 25	8,204 44	143 33	350 18	.....	64 60	9,019 69	5,066 67	800,520 97	610,328 99
Fifth district.....	20,401 64	540 10	19,861 54	198 67	469 00	.....	165 70	21,115 01	7,584 27	6,325,566 47	6,182,113 17
Total.....	53,805 09	1,008 69	52,796 40	706 45	1,642 36	78 00	283 88	56,576 01	20,815 93	8,940,037 02	8,521,756 09
<b>PENNSYLVANIA.</b>											
First district.....	13,995 37	275 89	13,719 48	101 55	.....	.....	132 17	14,229 09	7,447 50	5,988,535 28	4,230,450 50
Second district.....	11,739 15	255 10	11,484 05	322 41	42 11	.....	129 08	12,332 75	5,637 35	2,169,497 06	2,033,637 27
Third district.....	10,636 20	202 82	10,433 38	111 50	.....	.....	259 29	10,906 69	5,000 00	1,141,540 56	1,124,533 93
Fourth district.....	11,354 50	197 47	11,157 03	353 65	208 00	.....	95 05	12,011 29	5,707 50	1,674,557 14	1,725,861 75
Fifth district.....	8,633 60	184 10	8,449 50	161 78	217 19	.....	117 73	9,130 50	3,871 51	582,155 79	630,720 87
Sixth district.....	7,608 68	192 35	7,416 33	143 90	354 73	1 30	10 00	8,078 51	2,817 30	459,913 88	436,525 29
Seventh district.....	7,645 84	226 24	7,419 60	58 24	237 00	.....	40 00	7,961 08	2,121 00	402,550 64	404,067 17
Eighth district.....	6,902 92	191 22	6,711 70	25 65	31 98	.....	13 00	6,973 55	2,078 34	343,220 96	340,252 16
Ninth district.....	7,283 34	339 28	6,944 06	102 17	402 85	.....	52 66	7,746 35	2,738 71	755,085 19	697,692 83
Tenth district.....	7,556 84	125 85	7,430 99	79 76	81 00	2 28	38 75	7,465 13	2,369 50	407,060 50	378,334 40
Eleventh district.....	7,859 79	176 86	7,682 93	216 57	274 25	1 17	125 75	8,213 93	3,302 50	483,497 12	431,367 98
Twelfth district.....	4,654 69	101 04	4,553 65	48 36	143 47	.....	56 75	4,839 52	1,003 73	150,533 65	112,468 98
Thirteenth district.....	6,854 64	183 06	6,671 58	70 47	276 76	4 25	116 50	7,222 62	2,193 42	291,969 14	335,464 41
Fourteenth district.....	7,430 56	184 73	7,245 83	78 94	278 72	7 86	86 47	7,882 60	2,735 74	352,130 50	333,156 33
Fifteenth district.....	5,600 05	149 72	5,450 33	110 96	171 94	.....	55 05	6,116 86	2,556 01	218,125 43	237,529 35
Sixteenth district.....	5,131 75	37 19	5,094 56	29 53	170 04	.....	57 50	5,388 92	2,556 01	141,685 19	138,529 97
Seventeenth district.....	5,969 68	31 25	5,938 43	85 90	177 03	1 10	30 50	6,255 21	3,671 50	196,057 59	245,461 37
Eighteenth district.....	7,874 43	95 75	7,778 68	41 24	210 43	.....	47 75	8,173 55	4,511 11	583,107 50	462,963 27
Nineteenth district.....	9,376 19	82 93	9,293 26	174 63	297 03	40	19 00	9,896 65	6,517 50	638,201 46	532,343 75
Twentieth district.....	7,209 85	120 81	7,089 04	115 29	199 16	.....	57 00	7,551 30	3,793 67	105,031 73	206,651 32
Twenty-first district.....	11,715 62	298 63	11,566 99	86 07	313 26	1 07	14 50	12,190 22	6,702 98	2,405,451 34	1,985,355 39
Twenty-second district.....	6,534 70	227 21	6,307 49	267 43	158 36	.....	178 18	7,050 53	3,980 53	679,173 14	785,211 58
Twenty-third district.....	6,250 92	68 43	6,182 49	97 06	170 00	.....	.....	6,507 98	3,873 00	215,197 34	297,556 39
Twenty-fourth district.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total.....	199,129 13	4,044 83	195,084 30	3,057 95	4,631 76	108 69	1,766 68	208,693 32	94,498 80	19,313,546 55	18,619,173 42
<b>DELAWARE.</b>											
Delaware.....	10,050 24	255 70	9,814 54	87 19	392 36	50	86 72	10,617 01	4,356 27	750,705 80	644,518 48

## MARYLAND.

First district.....	4,815 20	86 06	4,729 23	105 00	216 78	105 00	06 10	5,398 49	683 04	45,905 75	123,431 07
Second district.....	8,127 71	167 50	8,410 12	67	61 63	67	46 75	8,922 06	4,270 00	610,394 10	636,633 33
Third district.....	12,157 52	324 87	12,314 65	330 55	320 61	330 55	76 30	13,306 37	4,800 00	9,892,464 06	9,892,464 06
Fourth district.....	6,203 76	108 19	6,125 57	175 81	134 85	175 81	116 03	6,731 42	1,929 93	321,449 40	374,571 53
Fifth district.....	7,961 44	134 39	6,930 05	67 77	134 55	67 77	116 03	7,451 79	3,376 40	385,117 17	350,180 25
Total.....	39,138 73	890 10	38,530 62	795 35	827 81	106 42	502 43	41,090 73	17,066 06	4,056,235 19	4,277,940 13

## DISTRICT OF COLUMBIA.

## OHIO.

First district.....	13,739 36	261 59	13,477 77	261 50	140 00	14 00	14 00	14,154 56	7,597 50	4,311,911 32	3,819,282 89
Second district.....	10,735 29	250 98	10,504 31	141 50	100 00	14 00	19 50	11,036 79	3,975 68	1,221,496 03	1,183,519 58
Third district.....	9,392 92	168 14	9,214 78	367 49	245 89	7 03	41 50	10,015 60	3,090 25	694,376 69	730,616 45
Fourth district.....	9,646 03	346 03	9,398 20	250 21	130 61	7 03	19 50	10,103 62	3,090 25	174,940 00	212,419 72
Fifth district.....	4,345 71	32 58	4,293 43	88 50	93 11	136 50	136 50	4,653 88	2,303 67	93,713 11	91,892 04
Sixth district.....	3,815 35	25 00	3,792 60	189 44	135 96	93 50	93 50	6,169 85	4,705 50	215,282 43	197,289 04
Seventh district.....	8,040 65	117 05	7,929 60	49 81	217 15	28 50	85 97	8,407 11	2,547 58	481,065 32	504,081 67
Eighth district.....	4,779 82	120 72	4,697 18	153 92	71 83	85 97	85 97	5,034 07	2,949 00	214,061 46	138,519 24
Ninth district.....	6,362 38	120 72	6,241 66	67 64	143 90	143 90	78 00	6,515 99	3,410 00	270,117 05	270,117 05
Tenth district.....	9,813 35	270 17	9,543 18	215 40	80 61	180 61	78 00	10,211 80	2,062 50	246,943 53	235,173 21
Eleventh district.....	6,626 47	148 19	6,478 28	83 61	203 84	203 84	52 00	7,707 50	3,500 53	217,772 77	206,985 16
Twelfth district.....	7,351 00	137 97	7,212 03	101 36	136 20	31 50	24 00	8,301 15	2,981 59	247,053 84	236,049 30
Thirteenth district.....	6,060 48	103 93	5,956 55	48 97	134 00	41 25	41 25	6,008 86	2,430 25	161,120 90	136,285 23
Fourteenth district.....	4,736 90	65 83	4,671 07	96 71	101 62	82 25	82 25	5,008 86	2,481 83	205,311 56	216,961 90
Fifteenth district.....	13,611 05	425 93	13,186 67	51 86	152 43	35	83 00	13,849 78	2,445 14	117,075 33	133,739 98
Sixteenth district.....	4,837 40	69 61	4,767 79	44 16	101 62	9 10	35 65	5,068 34	4,005 00	284,610 23	291,660 09
Seventeenth district.....	6,410 66	30 58	6,380 38	280 84	175 00	9 10	35 65	6,937 23	7,096 00	511,062 64	504,301 24
Eighteenth district.....	12,889 58	214 40	12,695 58	105 95	257 50	5 10	24 75	12,683 68	2,304 54	181,040 14	228,229 65
Nineteenth district.....	5,522 33	122 78	5,399 45	99 70	257 50	5 10	24 75	6,309 68	72,197 66	12,334,956 45	12,267,157 69
Total.....	150,557 55	8,033 09	147,544 46	2,698 27	2,711 83	53 10	919 27	156,980 02	72,197 66	4,500,262 18	4,412,937 12

## INDIANA.

First district.....	7,090 51	147 89	7,539 62	80 78	40 64	44 25	44 25	7,855 18	3,729 79	497,706 08	415,297 17
Second district.....	6,298 51	134 16	6,164 35	35 81	41 21	79 50	79 50	6,447 53	2,615 36	264,635 01	276,853 67
Third district.....	5,359 63	188 81	5,269 84	229 55	99 00	35 50	35 50	5,736 70	2,477 51	197,520 90	157,318 23
Fourth district.....	5,657 69	109 50	5,548 19	173 28	210 45	42 86	42 86	6,085 25	2,467 50	197,867 97	177,359 60
Fifth district.....	5,249 60	114 50	5,135 10	163 00	210 45	95 75	95 75	5,652 35	1,481 05	184,067 64	161,467 91
Sixth district.....	7,753 39	182 21	7,571 15	98 09	103 74	21 25	21 25	7,964 40	2,616 56	238,358 11	230,550 71
Seventh district.....	5,379 03	131 42	5,247 61	191 42	59 30	15 00	15 00	5,638 11	2,749 32	931,811 90	931,811 90
Eighth district.....	5,635 65	89 51	5,546 15	191 25	200 00	40 95	40 95	5,638 11	2,749 32	102,057 92	161,190 80
Ninth district.....	4,271 15	127 15	4,143 75	60 71	44 25	36 00	36 00	4,447 32	2,123 94	194,290 59	197,692 10
Tenth district.....	4,684 10	83 46	4,599 73	60 71	98 50	66 00	66 00	5,125 94	2,123 94	184,290 59	184,290 59
Eleventh district.....	3,726 69	53 85	3,672 89	123 75	120 39	62 50	62 50	4,033 93	1,372 99	69,352 74	73,196 28
Total.....	63,255 19	1,242 04	62,043 11	1,209 32	1,152 08	530 56	530 56	66,177 15	27,393 63	2,576,262 18	2,412,937 12

H.—Statement showing the expenses of collecting the internal revenue taxes, &amp;c.—Continued.

District.	Gross com- pensation.	Tax.	Net compen- sation.	Stationery and blank books.	Postage.	Expenses and dep. money.	Advertis- ing.	Total ex- pense of col- lecting.	Expenses of administer- ing office.	Assessments.	Collections.
<b>ILLINOIS.</b>											
First district.....	\$14,313.09	\$154.51	\$14,058.58	\$233.93	\$946.16	.....	\$92.50	\$15,385.67	\$10,199.83	\$5,170,898.61	\$3,998,315.13
Second district.....	5,640.25	107.17	5,733.08	88.46	197.69	.....	33.25	6,159.85	3,686.40	950,099.35	824,025.85
Third district.....	6,313.01	77.56	6,135.45	167.36	291.59	.....	94.00	6,895.96	3,036.98	994,995.19	846,990.89
Fourth district.....	8,883.52	108.22	8,685.30	144.80	185.50	.....	179.91	9,303.73	5,919.00	644,539.36	446,990.65
Fifth district.....	7,498.30	192.79	7,295.60	153.04	439.00	.....	35.50	8,118.96	5,639.67	397,559.69	345,309.93
Sixth district.....	6,314.13	94.72	6,219.41	157.66	244.30	.....	15.00	6,731.99	3,419.65	927,385.45	825,000.82
Seventh district.....	6,392.48	98.07	6,354.41	199.71	379.92	8.00	31.35	7,035.46	4,319.50	960,981.75	874,711.43
Eighth district.....	8,109.00	106.40	8,092.60	206.90	583.17	.....	57.00	8,835.85	5,543.44	1,004,949.46	914,711.43
Ninth district.....	4,909.25	62.64	4,847.21	255.58	943.17	.....	45.25	5,853.85	3,532.63	1,140,586.92	1,004,949.46
Tenth district.....	7,179.50	56.80	7,193.61	110.45	899.00	69.54	66.75	7,854.84	5,832.63	981,479.56	894,882.94
Eleventh district.....	4,140.86	95.00	4,115.87	116.00	845.10	7.70	379.00	4,976.66	2,897.66	651,459.57	585,029.12
Twelfth district.....	8,941.91	138.73	8,101.48	115.19	592.63	.....	49.50	8,856.63	4,456.65	428,633.24	410,877.15
Thirteenth district.....	4,812.18	25.00	4,787.18	33.46	95.13	.....	.....	4,900.29	3,691.56	135,284.75	131,317.95
Total.....	92,725.97	1,267.19	91,458.78	1,975.53	3,701.61	87.29	1,086.01	99,576.41	54,694.11	8,855,647.93	7,667,391.68
<b>MICHIGAN.</b>											
First district.....	11,892.36	257.12	11,035.24	941.31	315.96	17.17	5.25	11,871.35	5,149.90	1,561,277.24	1,635,636.71
Second district.....	9,000.00	75.00	8,925.00	101.02	283.65	.....	91.15	9,476.82	6,515.60	234,549.43	261,054.57
Third district.....	5,000.00	75.00	4,925.00	320.29	968.98	.....	50.07	6,330.34	11,630.94	258,046.83	356,441.04
Fourth district.....	3,007.10	74.63	3,432.47	49.11	135.10	.....	30.00	3,707.31	3,014.43	160,024.44	900,710.45
Fifth district.....	4,140.86	25.00	4,085.06	114.63	998.96	.....	35.55	5,170.36	3,537.63	105,069.96	131,066.64
Sixth district.....	5,946.60	64.28	5,882.32	133.94	133.94	.....	.....	6,070.36	3,663.21	252,869.96	944,869.31
Total.....	45,483.41	571.63	44,867.38	979.74	1,494.81	38.95	268.62	46,110.53	33,948.79	2,569,687.18	2,749,738.72
<b>WISCONSIN.</b>											
First district.....	10,329.94	305.74	10,024.20	102.42	334.72	.....	103.00	11,070.08	3,414.90	977,300.06	1,000,675.29
Second district.....	5,907.02	132.94	5,764.08	131.31	359.03	1.35	84.60	6,451.51	3,448.08	378,632.77	398,564.41
Third district.....	4,702.48	35.00	4,737.48	84.87	135.80	31.25	43.15	5,039.53	3,411.33	102,181.10	136,947.93
Fourth district.....	5,625.65	121.58	4,904.07	96.11	591.00	.....	38.73	5,451.51	3,451.01	153,592.60	152,562.50
Fifth district.....	5,430.66	35.00	5,430.66	127.96	38.05	46.25	39.63	5,735.67	7,032.35	171,599.51	198,466.43
Sixth district.....	4,690.35	35.00	4,655.35	105.45	43.40	.....	50.95	4,860.15	5,112.96	117,592.51	118,509.78
Total.....	36,400.10	625.96	35,774.84	647.42	1,192.00	79.05	350.10	38,648.67	22,013.52	1,680,506.55	1,685,486.31
<b>IOWA.</b>											
First district.....	7,163.30	133.32	7,059.98	327.92	123.59	39.57	50.50	7,614.18	3,496.93	338,050.55	334,405.56

Second district.....	5,943 56	107 36	5,836 90	520 46	921 40	344 00	6,540 96	9,706 14	938,905 65	944,356 81
Third district.....	11,446 50	51 61	11,434 99	905 03	319 50	50 00	19,041 03	4,045 36	857,403 63	904,578 38
Fourth district.....	4,632 41	106 55	4,525 86	177 43	138 13	58 75	5,000 71	1,531 04	118,775 89	114,104 97
Fifth district.....	4,562 98	95 00	4,567 98	69 01	96 11	35 00	4,756 10	4,040 17	117,116 84	100,586 06
Sixth district.....	3,624 83	34 15	3,590 68	180 63	958 96	100 87	4,328 81	3,321 00	68,367 60	70,522 65
Total.....	37,413 58	457 99	36,955 50	1,092 73	1,167 71	473 12	40,194 81	19,700 85	1,141,059 35	1,138,965 77
KANSAS.										
Kansas.....	6,032 16	95 00	6,007 16	269 91	915 43	160 15	6,697 33	5,191 53	950,462 35	954,860 83
MINNESOTA.										
First district.....	9,000 00	50 00	8,950 00	140 18	100 59	35 97	9,976 04	7,000 00	110,060 53	137,704 16
Second district.....	10,421 93	56 25	10,365 68	142 45	139 54	97 62	10,519 79	13,680 10	918,573 56	940,038 67
Total.....	19,421 93	106 25	19,315 68	282 63	240 13	132 89	20,095 83	20,680 10	398,634 09	378,642 83
CALIFORNIA.										
First district.....	92,940 90	200 00	92,040 90	918 70	485 00	59 75	93,866 85	15,721 13	5,593,594 96	5,160,081 98
Second district.....	15,004 25	125 00	14,879 25	144 30	161 75	175 00	16,151 98	11,504 25	556,516 11	503,989 30
Third district.....	18,000 00	900 68	17,709 32	180 80	159 13	69 50	18,092 47	12,042 65	118,919 59	198,840 73
Fourth district.....	32,529 90	975 00	32,054 90	993 67	841 46	970 70	33,943 47	21,758 60	594,743 98	542,634 81
Fifth district.....	11,000 00	125 00	10,875 00	125 77	911 00	159 83	12,506 95	6,350 12	292,821 22	319,345 85
Total.....	98,774 35	925 68	97,848 07	1,661 92	1,858 34	730 68	106,580 80	67,277 15	7,085,888 82	6,504,172 51
OREGON.										
Oregon.....	17,466 79	150 00	17,316 79	102 65	31 00	139 83	17,779 07	13,468 79	398,471 15	350,367 83
NEBRASKA.										
Nebraska.....	7,000 00	50 00	6,950 00	142 56	60 83	45 00	7,251 89	8,750 00	104,082 96	125,785 87
NEVADA.										
Nevada.....	26,716 75	150 00	26,566 75	87 16	83 90	184 75	30,341 42	8,977 93	389,498 73	382,190 73
NEW MEXICO.										
New Mexico.....	6,000 00	75 00	5,925 00	47 13	9 82	48 00	6,104 85	3,500 00	57,677 93	58,322 14
UTAH.										
Utah.....	3,183 45	25 00	3,158 45	191 85	90 00	50 00	3,558 03	7,894 00	45,767 13	56,115 11
COLORADO.										
Colorado.....	13,027 00	103 00	12,920 00	151 34	87 41	926 00	13,494 10	10,098 12	149,796 45	119,930 90

H.—Statement showing the expenses of collecting the internal revenue taxes, &amp;c.—Continued.

District.	Gross compensation.	Tax.	Net compensation.	Stationery and blank books.	Postage.	Express and dep. money.	Advertising.	Total expense of collecting.	Expenses of administering office.	Assessments.	Collections.
<b>WASHINGTON.</b>											
Washington.....	\$10,151 54	\$150 00	\$10,051 54	\$44 08	\$63 69	\$65 62	\$145 50	\$10,469 23	\$0,000 00	\$60,259 95	\$60,056 83
<b>DAKOTA.</b>											
Dakota.....	1,617 40	29 27	1,588 03	26 77	.....	.....	41 00	1,085 17	30 00	15,745 28	3,913 94
<b>ARIZONA.</b>											
Arizona.....	4,459 77	124 31	4,335 46	10 00	11 00	.....	22 00	4,502 77	1,118 38	22,001 61	4,837 53
<b>IDAHO.</b>											
Idaho.....	29,237 64	225 22	29,028 42	231 72	42 00	.....	223 99	29,765 35	8,767 02	101,458 84	99,379 97
<b>MONTANA.</b>											
Montana.....	18,000 00	150 00	17,850 00	271 91	67 50	.....	.....	18,339 41	14,000 00	112,303 63	117,374 42
<b>WEST VIRGINIA.</b>											
First district.....	8,706 54	245 97	8,460 57	44 17	112 99	.....	57 50	8,621 20	2,787 00	690,789 86	643,219 61
Second district.....	4,036 17	71 77	3,964 40	27 08	91 83	1 25	80 15	4,400 26	1,500 74	86,104 40	84,205 90
Third district.....	9,058 39	281 26	8,777 13	110 02	64 19	2 05	110 25	9,344 90	1,872 40	348,404 46	309,740 59
Total.....	21,791 10	599 00	21,192 10	355 05	269 01	3 30	247 90	22,666 36	6,250 14	1,055,298 72	1,027,165 90
<b>VIRGINIA.</b>											
First district.....	2,442 53	25 00	2,417 53	35 11	.....	.....	.....	2,477 64	1,284 68	42,140 65	31,417 52
Second district.....	9,285 48	296 82	8,988 66	93 18	.....	.....	.....	9,378 66	2,349 00	635,098 04	625,768 96
Third district.....	9,821 46	284 19	9,537 27	219 79	149 36	.....	67 50	10,318 11	3,197 46	513,509 11	480,367 30
Fourth district.....	4,638 00	137 02	4,500 98	66 27	27 00	.....	.....	4,731 27	897 58	199,876 51	167,354 42
Fifth district.....	7,924 54	161 73	7,762 81	29 17	.....	.....	.....	7,953 61	3,630 00	247,173 44	191,148 77
Sixth district.....	5,096 67	47 21	5,049 46	45 16	254 00	.....	25 50	5,421 73	3,152 50	210,632 76	154,698 98
Seventh district.....	5,470 28	50 00	5,420 28	59 63	225 35	.....	28 82	5,784 08	4,619 03	151,962 84	147,197 68
Eighth district.....	2,654 22	25 44	2,628 78	154 71	64 62	.....	40 75	2,923 30	1,316 84	53,186 88	38,459 34
Total.....	47,393 18	1,030 41	46,362 77	762 92	739 33	.....	*171 57	48,988 00	20,747 00	2,033,579 63	1,776,636 17



## KENTUCKY.

First district.....	6,470 43	46 67	6,439 76	30 78	56 95	75	18 50	6,566 41	5,644 10	318,440 08	171,170
Second district.....	4,976 14	95 00	4,931 14	130 88	103 45	9 50	93 50	5,396 51	8,794 94	160,908 00	142,031 81
Third district.....	5,236 07	61 45	5,405 22	119 50	106 07	.....	93 00	5,775 33	9,606 11	153,140 98	153,140 98
Fourth district.....	6,129 18	66 58	6,093 60	110 32	315 19	336 50	10 35	6,030 47	4,330 85	178,916 47	183,070 18
Fifth district.....	11,720 57	170 16	11,550 41	131 44	180 00	.....	95 00	12,037 01	7,317 31	686,137 53	1,998,243 18
Sixth district.....	9,628 92	210 13	9,418 79	164 13	184 75	.....	7 00	9,864 80	4,436 50	769,745 70	1,703,344 93
Seventh district.....	8,633 61	25 00	8,608 61	954 67	974 63	98 50	71 10	9,264 51	8,478 36	493,151 23	502,092 18
Eighth district.....	4,182 22	65 95	4,116 27	107 90	71 66	.....	10 00	4,371 78	1,863 23	101,477 30	91,770 08
Ninth district.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total.....	57,300 78	670 94	56,638 84	1,053 71	1,382 63	356 25	285 05	60,367 42	43,880 80	3,914,468 41	3,983,912 16

## MISSOURI.

First district.....	17,240 08	149 73	17,091 25	222 46	535 76	.....	945 65	18,244 85	24,792 32	4,371,219 38	3,499,865 95
Second district.....	9,167 21	90 52	9,106 69	230 18	945 36	103 46	250 75	9,976 86	6,188 43	182,140 13	134,364 34
Third district.....	7,437 47	128 68	7,433 77	70 28	184 80	7 50	61 50	8,190 54	3,978 79	411,547 13	410,485 98
Fourth district.....	7,137 65	215 37	6,892 28	70 28	149 00	364 40	61 50	7,783 23	1,230 10	410,697 96	363,762 00
Fifth district.....	9,172 48	27 51	9,144 97	256 77	199 50	19 50	62 60	9,656 24	1,174 58	180,382 93	127,343 60
Sixth district.....	6,635 02	47 40	6,587 53	342 63	363 75	.....	208 60	7,550 00	5,981 09	527,483 65	421,344 44
Total.....	49,025 79	679 30	48,246 49	1,452 76	1,623 56	495 98	923 35	54,420 72	43,245 21	6,083,471 18	4,957,186 71

## TENNESSEE.

First district.....	8,492 02	75 00	8,327 02	90 44	.....	1 50	40 00	8,533 96	5,800 00	46,873 00	43,092 23
Second district.....	8,934 56	75 00	8,859 56	115 58	33 00	.....	32 57	9,115 71	3,434 56	130,293 43	81,202 44
Third district.....	7,368 03	75 00	7,313 03	316 55	108 45	.....	14 75	7,897 78	4,898 03	90,373 16	72,673 40
Fourth district.....	11,814 46	104 53	11,710 91	106 52	4 36	.....	14 50	11,939 84	7,964 40	676,254 98	660,157 73
Fifth district.....	10,317 50	125 00	10,192 50	28 12	9 00	.....	34 00	10,388 62	6,817 50	551,062 01	550,038 01
Sixth district.....	7,190 45	281 38	6,909 07	146 36	5 81	.....	.....	7,342 62	563 00	377,359 80	369,045 47
Seventh district.....	8,270 80	75 00	8,195 80	250 58	28 10	1 23	35 00	8,555 73	5,770 80	173,275 21	227,910 00
Eighth district.....	11,362 00	243 29	11,118 74	315 56	174 40	.....	37 00	11,899 36	5,496 82	1,928,576 17	1,705,436 36
Total.....	73,679 82	1,033 19	72,636 63	1,329 71	373 52	2 73	297 82	75,633 62	40,835 11	3,974,007 85	3,713,546 63

## LOUISIANA.

First district.....	16,995 26	60 58	16,934 68	144 21	5 00	.....	697 00	17,241 47	30,621 33	3,125,205 33	2,895,138 79
Second district.....	18,000 00	150 00	17,850 00	77 42	18 05	177 00	124 50	18,396 97	24,397 03	652,118 14	484,961 41
Third district.....	7,262 29	18 75	7,244 14	168 84	37 45	.....	47 25	7,536 03	13,607 45	502,379 29	415,365 39
Total.....	42,258 15	229 33	42,028 82	410 47	60 10	177 00	868 75	43,774 47	78,886 71	4,279,702 76	3,795,485 59

## NORTH CAROLINA.

First district.....	5,225 78	75 00	5,650 78	78 44	85 44	213 10	110 60	6,223 36	3,225 78	94,157 73	118,574 62
Second district.....	11,294 99	125 00	11,703 99	231 70	154 13	125 86	85 50	12,496 90	10,392 41	646,495 09	631,358 71
Third district.....	8,565 25	92 50	8,492 75	98 45	28 13	3 13	5 25	8,730 07	5,684 75	306,519 36	323,080 01

H.—Statement showing the expenses of collecting the internal revenue taxes, &amp;c.—Continued.

District.	Gross compensation.	Tax.	Net compensation.	Stationery and blank books.	Postage.	Express and dep. money.	Advertising.	Total expense of collecting.	Expenses of administering office.	Assessments.	Collections.
<b>NORTH CAROLINA—Cont'd.</b>											
Fourth district.....	\$9,788 74	\$75 00	\$9,713 74	\$46 87	\$18 45	.....	\$23 00	\$9,876 06	\$6,975 74	\$320,941 19	\$303,391 23
Fifth district.....	7,918 35	75 00	7,143 35	118 09	173 31	\$7 75	17 50	7,535 00	4,700 00	402,748 50	328,315 91
Sixth district.....	8,264 58	125 00	8,139 58	101 96	58 96	70 55	94 00	8,509 05	4,720 00	251,205 12	261,869 57
Seventh district.....	5,909 61	50 00	5,969 61	2 00	85 00	51 75	16 75	6,075 11	3,909 61	61,659 55	36,138 52
Total.....	57,321 30	617 50	56,703 80	677 51	623 29	481 15	351 60	59,454 85	39,518 29	9,175,736 54	9,031,746 68
<b>SOUTH CAROLINA.</b>											
First district.....	16,787 66	961 48	16,826 18	85 50	18 00	951 00	30 40	17,872 56	8,729 33	699,291 07	682,544 37
Second district.....	13,128 77	975 00	12,853 77	108 83	153 39	.....	181 50	13,602 61	7,603 83	601,361 99	630,106 79
Third district.....	18,282 13	150 00	16,112 13	197 33	8 55	.....	141 14	16,609 15	14,962 13	1,500,963 87	1,569,937 58
Total.....	48,178 56	686 48	47,492 08	391 76	209 94	951 00	353 04	50,684 32	30,585 29	9,801,646 93	9,692,680 68
<b>GEORGIA.</b>											
First district.....	13,254 60	929 14	13,025 46	94 39	.....	10 00	59 00	13,410 99	7,696 33	728,125 37	750,680 50
Second district.....	18,826 48	150 00	18,676 48	202 74	141 84	84 00	97 00	19,208 90	18,550 06	9,891,991 20	9,727,959 00
Third district.....	19,028 91	927 50	18,791 41	222 53	128 24	51 70	47 50	19,478 88	12,000 00	1,612,086 25	1,684,346 11
Fourth district.....	16,000 00	150 00	15,850 00	176 34	35 15	2 91	5 00	16,319 40	13,969 04	975,902 82	1,949,892 95
Total.....	67,109 99	766 64	66,343 35	696 00	305 23	65 45	201 50	68,378 17	52,215 43	6,141,976 64	6,112,988 56
<b>FLORIDA.</b>											
Florida.....	16,322 00	150 00	16,172 00	146 64	.....	.....	923 75	16,692 39	12,322 00	489,819 95	412,814 28
<b>ALABAMA.</b>											
First district.....	19,359 93	271 91	19,118 02	125 98	.....	.....	26 00	19,541 91	11,269 90	9,151,063 45	9,077,314 22
Second district.....	19,990 59	261 24	19,729 35	308 50	191 18	10 60	175 25	20,676 12	17,717 69	9,301,407 80	9,295,454 69
Third district.....	.....	.....	.....	68 66	.....	.....	.....	68 66	.....	.....	.....
Total.....	39,350 52	533 15	38,847 37	543 14	191 18	10 60	201 25	40,286 69	30,006 59	4,452,471 25	4,392,768 91
<b>MISSISSIPPI.</b>											
First district.....	16,490 90	150 00	16,340 90	124 82	.....	41 45	147 50	16,604 67	12,204 51	587,636 41	594,661 25
Second district.....	25,000 00	150 00	25,000 00	340 75	41 49	8 85	87 75	25,442 84	18,000 00	1,989,736 36	1,998,817 43
Third district.....	2,128 53	16 72	2,111 81	940 17	11 32	.....	.....	9,376 92	9,376 92	1,297,953 71	1,177,592 59
Total.....	40,619 43	316 72	40,302 71	669 74	59 81	50 30	235 25	41,627 53	39,581 43	3,775,396 48	3,790,981 18

## TEXAS.

First district.....	92,150 90	150 00	98,000 99	993 91	19 41	45 98	419 00	98,919 73	13,318 95	997,599 07	455,054 19
Second district.....	14,789 76	154 35	14,634 43	199 41	113 92	6 85	69 35	15,176 31	10,728 43	731,338 03	472,993 99
Third district.....	26,066 35	576 23	25,710 11	251 79	58 35	73 91	156 80	25,523 44	26,536 85	577,531 63	555,335 19
Fourth district.....								231 89			
Total.....	60,023 40	680 57	59,342 53	894 96	184 58	125 58	645 15	61,973 57	50,638 23	2,930,573 93	1,483,916 11

## ARKANSAS.

First district.....	13,653 23	931 59	13,492 63	909 37	87 87		92 00	14,674 36	11,400 00	555,922 93	516,636 81
Second district.....	5,332 43	100 00	5,377 42	257 79	45 36			5,377 80	2,560 00	7,367 77	12,893 61
Third district.....	6,960 10		6,800 00		5 01			7,223 80	4,507 50	67,953 91	72,229 09
Total.....	25,947 64	356 59	25,591 05	1,167 06	138 96		92 00	27,274 96	18,317 50	630,493 91	691,759 51

## RECAPITULATION.

Maine.....	\$31,511 43	\$801 18	\$30,710 25	\$688 18	\$858 74	\$56 00	\$149 74	\$53,164 09	\$10,387 03	\$1,567,537 16	\$1,618,225 34
New Hampshire.....	94,761 63	657 60	94,104 03	384 79	519 14	8 85	140 50	95,814 91	8,009 45	1,972,419 85	1,958,111 14
Vermont.....	16,874 53	383 13	16,491 40	48 06	394 63		69 19	17,376 41	6,311 40	534,946 89	564,425 45
Massachusetts.....	114,409 82	293 97	113,145 85	1,484 48	3,994 02	91 45	551 37	120,461 14	50,198 72	18,153,596 28	17,851,523 74
Rhode Island.....	90,751 33	419 79	90,331 54	294 81	343 13		276 93	91,666 19	10,351 54	2,773,573 78	2,852,574 89
Connecticut.....	41,479 65	895 66	40,583 99	464 82	1,171 60	70	150 38	43,297 25	10,432 79	4,900,736 83	4,410,406 41
New York.....	343,622 84	5,815 49	337,807 35	7,237 40	10,313 43	145 77	9,921 06	363,540 50	190,445 03	41,928,988 95	39,431,141 73
New Jersey.....	53,825 09	1,068 69	52,756 40	7,705 45	1,642 58	78 00	983 88	56,576 00	96,815 93	8,940,037 02	8,921,756 09
Pennsylvania.....	199,129 13	1,044 83	195,084 30	3,057 06	4,631 76	108 09	1,766 68	208,932 32	94,488 60	19,313,545 55	18,614,518 48
Delaware.....	10,050 24	235 70	9,814 54	87 19	392 36	50	86 72	10,617 01	4,236 37	19,750,765 90	18,644,518 48
Maryland.....	39,458 72	899 10	38,559 62	795 35	627 81	106 42	509 43	41,090 73	17,026 06	4,056,255 19	4,377,349 13
District of Columbia.....	7,926 83	185 74	7,741 09	41 85	139 50		37 85	8,127 03	3,173 07	12,534,956 45	12,957,367 07
Ohio.....	150,507 55	3,033 09	147,474 46	9,698 37	2,711 80	53 10	919 27	156,090 02	72,197 06	2,576,892 08	2,412,057 19
Indiana.....	63,925 19	1,242 08	62,683 11	1,909 32	1,132 68		50 56	66,177 15	27,395 63	8,555,647 93	7,667,391 82
Illinois.....	92,725 07	1,967 19	90,757 88	1,973 33	3,701 61	87 90	1,080 01	90,576 41	54,014 04	9,560,867 15	9,749,738 72
Michigan.....	45,456 41	571 03	44,885 38	979 74	1,424 81	38 95	298 02	48,110 53	23,948 79	1,890,568 55	1,835,298 31
Wisconsin.....	36,409 10	625 26	35,783 84	647 42	1,192 01	79 03	329 1	38,648 67	23,013 92	1,141,029 33	1,132,365 77
Minnesota.....	37,413 58	457 99	36,955 59	1,032 33	1,167 71	47 07	473 13	40,194 21	19,700 95	1,954,402 35	1,954,402 35
Kansas.....	6,032 16	95 00	6,017 16	399 31	915 43	30 38	169 15	6,697 33	5,121 53	298,684 09	378,642 83
Missouri.....	19,421 93	106 25	19,315 68	989 63	940 13	14 25	133 80	20,005 83	20,680 10	7,065,688 92	6,554,172 31
California.....	92,741 53	925 63	91,815 90	1,661 92	1,859 34	18 95	129 68	106,550 80	67,177 15	7,065,688 92	6,554,172 31
Oregon.....	17,466 70	150 03	17,316 79	143 56	31 00	38 60	129 83	17,779 07	13,466 79	298,471 15	298,471 15
Nevada.....	7,069 00	50 00	6,950 00	125 56	60 83	3 50	45 00	7,551 89	5,730 00	104,092 00	105,725 87
New Mexico.....	26,716 75	150 00	26,566 75	87 16	83 90	3 50	144 75	26,341 42	5,077 03	389,496 73	389,496 73
Utah.....	6,000 01	75 00	5,925 00	47 19	9 29		46 00	6,104 95	2,500 00	57,677 93	58,952 14
Colorado.....	3,183 45	25 00	3,158 45	191 85	90 00	119 73	50 00	3,558 03	7,824 00	45,767 13	56,115 11
Idaho.....	13,620 00	100 00	13,520 00	151 34	87 41	9 35	926 01	13,494 10	10,623 12	140,790 45	119,590 30
Washington.....	10,151 54	100 00	10,051 54	44 09	63 69	65 02	145 50	10,669 83	9,000 00	60,220 05	60,220 05
Dakota.....	1,617 40	99 37	1,518 03	26 77			41 00	1,685 17	20 00	15,745 26	3,913 94
Arizona.....	4,459 77	134 31	4,325 46	10 00	11 00		22 00	4,508 77	1,118 36	22,001 61	4,537 93

## RECAPITULATION—Continued.

District.	Gross compensation.	Tax.	Net compensation.	Stationery and blank books.	Postage.	Express and dep. money.	Advertising.	Total expense of collecting.	Expenses of administering office.	Assessments.	Collections.
Idaho.....	\$20,227 64	\$225 22	\$20,032 42	\$231 72	\$42 00	.....	\$233 99	\$20,765 35	\$8,767 02	\$101,458 84	\$99,279 97
Montana.....	18,000 00	150 00	17,850 00	271 91	67 59	.....	.....	18,339 41	14,000 00	112,303 63	117,374 42
West Virginia.....	21,791 10	500 00	21,292 10	385 05	269 01	\$3 30	247 90	22,666 36	6,250 14	1,055,298 72	1,027,165 80
Virginia.....	47,303 18	1,030 41	46,362 77	702 92	720 33	.....	171 57	48,988 00	20,747 09	2,033,579 63	1,776,636 17
Kentucky.....	57,309 78	670 94	56,638 84	1,033 71	1,362 63	356 25	265 05	60,367 42	43,899 80	3,914,486 41	3,993,912 16
Missouri.....	49,925 79	679 30	49,246 49	1,472 76	1,623 56	495 26	923 35	51,420 72	43,245 21	6,083,471 18	4,937,186 71
Tennessee.....	73,679 82	1,053 19	72,626 63	1,339 71	373 52	.....	207 83	75,603 92	40,835 11	3,974,007 85	3,713,543 63
Louisiana.....	42,258 15	229 33	42,028 82	1,410 47	69 10	177 00	868 75	43,774 47	78,886 71	4,279,762 76	3,792,465 59
North Carolina.....	57,321 30	617 50	56,703 80	677 51	623 29	481 15	351 60	59,454 85	30,518 29	2,175,726 54	2,031,748 22
South Carolina.....	48,178 56	686 48	47,492 08	301 78	209 94	931 00	333 04	50,064 32	30,505 29	2,801,646 93	2,622,690 68
Georgia.....	67,109 99	768 64	66,341 35	696 00	305 23	65 45	221 50	68,378 17	52,215 43	6,141,976 64	6,112,288 56
Florida.....	16,322 00	150 00	16,172 00	146 64	.....	.....	223 75	16,692 39	12,322 00	420,819 95	412,814 98
Alabama.....	39,380 52	533 15	38,847 37	503 14	101 18	10 00	201 25	40,296 69	30,006 59	4,452,471 25	4,392,768 91
Mississippi.....	60,619 43	316 72	60,302 71	669 74	52 81	50 30	235 25	41,627 53	32,581 43	3,775,326 48	3,700,961 18
Texas.....	60,023 40	680 57	59,342 83	894 86	184 58	125 58	645 15	61,873 57	50,638 23	2,226,573 82	2,483,916 11
Arkansas.....	25,947 64	376 59	25,571 05	1,167 06	138 26	.....	52 00	27,774 96	18,217 50	630,463 91	1,601,750 51
Grand total.....	2,227,424 48	35,493 17	2,201,931 31	37,835 13	45,385 23	10,643 58	17,562 18	2,348,850 59	1,360,106 17	188,067,097 70	178,451,219 06

## REPORT OF THE SIXTH AUDITOR OF THE TREASURY.

OFFICE OF THE AUDITOR OF THE TREASURY,  
FOR THE POST OFFICE DEPARTMENT,  
*Washington, October 19, 1869.*

SIR: In accordance with the uniform custom of this office, I respectfully submit the subjoined statement of the clerical labors performed in this bureau during the past fiscal year.

The forthcoming annual report of this office to the Postmaster General will exhibit in detail all that pertains to the financial transactions of the Post Office Department.

## SUMMARY OF PRINCIPAL LABORS.

The postal accounts between the United States and the foreign governments have been promptly and satisfactorily adjusted to the latest period. Twenty-seven thousand eight hundred and fifty-three corrected quarterly accounts of postmasters have been examined, copied, reset, and mailed; 102,358 accounts of postmasters have been examined, adjusted, and registered; 175,700 letters were received, indorsed, and properly disposed of, 212 of which contained the amount of \$7,980 96, which has been deposited with the Treasurer of the United States to the credit of the parties remitting the same; 119,390 letters were answered, recorded, and mailed; 14,816 drafts were issued to mail contractors and others; 5,303 warrants were issued to mail contractors and others.

The number of folio post pages of correspondence recorded, viz: 2,940 pages in collection book; 171 pages in report book; 890 pages in suit book; 873 pages in miscellaneous book.

## MONEY-ORDER DIVISION.

Of money-order accounts, 87,620 have been settled, involving the amount of \$46,130,487 95; 1,540 letters relating to money-order affairs were written, copied, and mailed.

## PAY DIVISION.

Of mail contractors' accounts, 25,336 were adjusted and reported for payment; 84,173 collection orders were transmitted to mail contractors; 377 miscellaneous accounts were audited and reported for payment; 538 special agents' accounts were audited and reported for payment; 6,712 letter-carriers' accounts were settled; 6,000 special mail carriers' accounts were settled; 8,708 mail messengers' accounts were settled; 5,518 accounts of railway postal clerks, route agents, local mail agents, and baggage-masters were settled; 64 accounts of attorneys, marshals, and clerks of the United States courts were reported for payment; \$344,160 84 was collected from special and mail messenger offices; \$2,229,731 99, aggregate amount of drafts issued to mail contractors and others; \$9,428,173 48, aggregate amount of warrants issued to mail contractors and others; \$2,333,898 76 was received of postmasters by mail contractors on collection orders; \$1,183,915 31 was paid to letter-carriers; \$79,565 41 was paid for advertising.

## COLLECTION DIVISION.

The collection division has had charge of the following numbers of accounts, viz: 27,106 accounts of present postmasters; 44,882 accounts of postmasters who had become late; \$23,680 11 was collected from mail contractors by collection drafts for over collections made by them from postmasters; \$73,359 62, amount of internal revenue tax received by postmasters, and amounts withheld from other persons, paid to the Treasurer of the United States. 192 suits were instituted for the recovery of balances due the United States, amounting to \$92,162 37, together with \$385,000 penalties, making, in aggregate, \$477,162 37. 156 judgments were obtained in favor of the United States.

In addition, many duties of an important character have been discharged, requiring much time and labor, which it would not be practicable to particularize in this report.

I have the honor to be, sir, very respectfully,

J. J. MARTIN, *Auditor.*

Hon. GEORGE S. BOUTWELL,  
*Secretary of the Treasury.*

## REPORT OF THE SUPERVISING ARCHITECT OF THE TREASURY.

TREASURY DEPARTMENT,

*Office of the Supervising Architect, October 30, 1869.*

SIR: I have the honor to submit the following report on the condition of the public property under the supervision of this office, together with an exhibit of the expenditures made under its direction during the fiscal year ending June 30, 1869, and of the total cost to that date of the various public buildings, with the construction, preservation, and custody of which it has been charged. The tables of expenditures have been closed at that date, in accordance with your directions to conform to the usage of the department. It has been thought advisable, however, to give a synopsis of the progress of the various works under its charge to the present date, as heretofore.

The business of this office has greatly increased during the past year, not only in the number and importance of the buildings in course of construction, which are largely in excess of any previous period in its history, but from the assignment of new duties and from other causes that will be explained hereafter; and as the duties of this office are not generally understood, I have thought it desirable to give the following brief synopsis of them. They now embrace the purchase, sale, and supervision of all real estate belonging to, or under the custody of the Treasury Department, excepting light-house property. The preparation of designs, estimates and specifications for buildings; the supervision of their construction; the repairs and improvement, the furnishing, lighting, and heating of those already completed; and the construction and supply of all vaults and safes used by the department.

Upon taking charge of this office I found that no record existed of the real estate owned by the department; that the title papers were in various hands, and that in many cases no official record existed to show that the property belonged to the government. Under the instructions and by the authority of the late Secretary of the Treasury, a thorough

investigation was made which has resulted in the discovery of most of the missing deeds; the remainder have been supplied by certified copies and the records are now nearly complete, and are properly arranged and filed in this office. The investigation has also resulted in the reclamation of many valuable pieces of property of which the department had lost possession.

I have to report the completion of a schedule of the furniture in the public buildings owned or rented by this department, and the inauguration of a system of quarterly returns of such articles that render their abstraction or destruction without detection impossible.

The supervision of the appropriation for fuel, lights, &c., for the various public buildings, which has been assigned to this office, has involved much labor, but it is believed that a considerable saving to the government will be effected. Should this not be the case, however, the cost of maintaining the public buildings of the country will be accurately determined, which could not have been done under the former system. Prior to the present fiscal year no special appropriation has ever been made for this purpose, the expense having been met by an apportionment of the amount among the different departments occupying the buildings, thereby drawing funds for heating and lighting a single building from several appropriations and rendering any supervision over the expenditures practically impossible, besides involving much unnecessary labor and materially increasing the cost.

The appropriation of \$40,000 made at the last session of Congress has been found sufficient to meet about one-fifth of the expenses of heating and lighting the buildings, so that it has been necessary to provide for the remainder by apportionment as heretofore. The estimates herewith submitted will, I believe, with close economy, be found sufficient to meet the necessities of the service.

The investigations that have been made as a basis for the distribution of this fund, and during the preparation of the schedule of furniture, have developed much interesting information, and have already been productive of gratifying results, alike in the retrenchments that have been made, the reforms that have been effected, and the errors that have been discovered in the previous system. Among the graver defects which have been developed is one that will require the intervention of Congress to remedy. Thus far the responsibility of the officers charged with the custody of public buildings and the public property therein has been almost, if not entirely, nominal; more especially over the property in such portions of the buildings as are occupied by officers of other departments. It has been heretofore claimed that the responsibility of a custodian ceases when the adjustment of his accounts shows that the funds advanced to him for the purchase of property have been duly applied thereto, the officers being merely *ex officio* custodians of the buildings and contents. Much valuable property has been lost in this manner, and a much larger amount wantonly or carelessly destroyed.

Another evil has been the neglect of many officers to report to this department promptly the necessity for repairs. Careless and inefficient officers in this manner frequently necessitate, by their neglect, expenditure of large sums to save the buildings which slight repairs promptly made would have prevented. I would therefore recommend the enactment of a law making custodians responsible for the buildings under their charge together with their contents, and would also urge in the strongest manner the importance of an appropriation sufficient to warrant the employment of responsible and reliable janitors. I believe that with the exception of the government buildings none of equal

importance are left without guardians. I am aware that the utmost economy in public expenditures is desirable, but I am unable to see that any saving is effected by leaving valuable property exposed, or costly buildings open to the intrusion of evil-disposed persons, and it appears to me that as much care should be exercised in the protection of public property as private individuals exercise over their own. I would therefore strongly urge that the appropriations I have estimated for repairs and preservation of public buildings, for furniture, for fuel, lights, &c., and for janitors, be granted.

Much time and attention has been given to the monthly returns to which I alluded in my last report, but it has been found a difficult task to devise a system that would prove a satisfactory check upon superintendents and exhibit in a clear and succinct manner the progress and cost of the work in each locality. I have, however, by the aid and cordial co-operation of J. C. Rankin, esq., the present assistant supervising architect, who has had special charge of this branch, been enabled to perfect a plan that will accomplish the desired result, though the returns are not as complete or satisfactory as they will be after another season's experience. It is believed, however, that they are sufficiently accurate for all practical purposes, and are used as a basis for the estimates herewith submitted. A uniform system of measurement has also been adopted, which is simple and comprehensive, avoiding extremely technical methods on the one hand, and indefinite local terms on the other.

The monthly report which is rendered by the superintendent embraces all the work done under his supervision during that period; the work done in the previous month, and the amount of work from the commencement of operations to that date, thus exhibiting at a glance the cost of each item, and the aggregate, with the comparative expenditures of succeeding months.

The quarterly report exhibits all the material and machinery purchased, expended, and remaining on hand, and the amount of labor performed during the quarter, and consequently embraces three varieties of expenditures, viz: The "material," representing what is invested in the building; the "machinery," (or more properly the "plant,") being such articles as scaffolding, derricks, tools, &c., requisite for the construction, and are convertible when it is completed; and, lastly, the labor which is employed in constructing the building. These reports are accompanied by photographic views showing the condition, and, by comparison, the progress of the work, which serve as an effectual check upon the returns. The enforcement of these rules has involved much labor with, until recently, comparatively small results, mainly chargeable to the difficulties attending the introduction of a new system, and in training superintendents to a proper understanding of the requirements of the department in this particular.

The reports of the superintendent of the Boston post office are appended herewith as an illustration of the system.

The system of operations explained in my last report has been adhered to, and with satisfactory results. The character of the work on the buildings has been in most cases unexceptionable, and the average cost below market rates for an equal quality of workmanship.

Great embarrassment has been experienced by the system of partial and insufficient appropriations heretofore adopted for the erection or completion of public works. It paralyzes the action of the department by compelling it to make contracts for supply of materials piecemeal, increases the contingent expenditures by causing frequent suspensions, and delays the government in the use of the building, thereby



compelling the payment of rental for temporary accommodations, besides sinking the interest on the amount expended. There would be very decided advantages in changing this manner of making appropriations. The sum determined upon by Congress after careful consideration of the estimates, as the limit of expenditures for completing the work, should at once be placed at the disposal of the Secretary, to be expended as fast as the necessities of the work demand.

Notwithstanding all these disadvantages and the greatly enhanced price of material and labor, a comparison of the cost of the buildings constructed by this office under former supervision and those just completed, and now in course of erection, shows that the latter, in many instances, have actually cost less money, and when their superiority in style, material, and workmanship is taken into account, the result is almost as much a matter of surprise as of congratulation. The tables appended to this report confirm this statement.

Since the date of my last report the United States court-house and post office at Springfield, Illinois, and the custom-house at Bangor, Maine, have been completed and occupied; the custom-house at Ogdensburg, New York, will also be finished and occupied before the commencement of winter. The custom-house at Wiscasset, Maine, is also nearly completed. The remodeling of the following buildings has been completed or is now in progress: the custom-houses at Toledo, Ohio, Richmond, Virginia, Castine, Maine, and Burlington, Vermont, and appraisers' stores, Baltimore, Maryland, all of which it is believed will be, when completed, in better order than when first erected.

Repairs more or less extensive have been made on the following buildings: Custom-houses at Bangor, Maine; Burlington, Vermont; Baltimore, Maryland; Buffalo, New York; Charleston, South Carolina; Chicago, Illinois; Cincinnati, Ohio; Galveston, Texas; Louisville, Kentucky; New Orleans, Louisiana; Newark, New Jersey; New Bedford, Massachusetts; New York, New York; Petersburg, Virginia; Philadelphia, Pennsylvania; Suspension Bridge, New York; San Francisco, California; Savannah, Georgia; St. Louis, Missouri. Marine hospitals at Cleveland, Ohio; Louisville, Kentucky; Portland, Maine; St. Louis, Missouri. Court-houses and post offices at Baltimore, Maryland; Boston, Massachusetts; Indianapolis, Indiana; Philadelphia, Pennsylvania; Springfield, Illinois. Appraisers' stores, San Francisco, California, and territorial building at Santa Fé, New Mexico.

The following buildings have been commenced: Post office and sub-treasury at Boston, Massachusetts; post office and court-house at New York; branch mint at San Francisco, California; custom-houses at Portland and Astoria, Oregon, and the branch mint at Dalles City, Oregon. Plans and specifications for the assay office at Boise City, Idaho, have been prepared, a fine site for which building has been donated to the government. Work will be commenced as soon as the title papers are perfected and approved by the Attorney General. An excellent site has been donated for the proposed court-house and post office building at Omaha, Nebraska, and arrangements made for an immediate commencement of work. I cannot speak too highly of the liberality and public spirit manifested by the inhabitants of the latter cities.

The marine hospital property at Norfolk, Virginia, has been sold at public auction for the sum of \$15,600, which is believed to be a fair price.

I respectfully renew my recommendations for the sale of the old custom-houses at Charleston, South Carolina, and Plymouth, North Carolina, the former of which is at present not only a ruin, but a public nuisance;

and of the old custom-house lot at Astoria, Oregon, which is at considerable distance from the present site of the town and of little value.

I would also recommend that authority be granted for the sale of the following property, none of which is at present occupied by the government or needed for its use hereafter: Custom-house lot at Perth Amboy, New Jersey, and old United States court-house at St. Augustine, Florida. I recommend the sale of the United States branch mints at Dahlonega, Georgia, and Charlotte, North Carolina.

I would also respectfully suggest that the enactment of a general law authorizing, under proper restrictions, the disposal at public auction of property no longer needed would greatly facilitate the transaction of public business, and frequently save considerable sums to the government.

I desire to renew my recommendations that immediate steps be taken for the erection of a suitable fire-proof structure for the use of the appraisers' department in the city of New York. The building at present occupied, though the best that can be obtained, is not well adapted for the purpose, and being of ordinary construction the risk from fire is of course great. The rental at present paid is \$73,355, to which sum it has been increased since the date of my last report from \$45,000 per annum, and will probably be again increased at the expiration of the present lease, if any opinion can be formed from past experience, the rent having been increased from \$32,500 in 1864 to the sum at present paid. It is evident that the present rental would in a few years repay the cost of a suitable building, in which could be provided facilities for the transaction of the public business that cannot be obtained under the present system. In this connection, I would suggest that no better location could be selected than a portion of the battery, and desire again to urge the importance of obtaining the whole or a portion of that property as a site for a new custom-house and other buildings connected with the revenue department. Geo. W. Blunt, esq., of New York City, has been authorized by the commissioners of the sinking fund, in whom is vested the control of the property, to negotiate for its disposal to the government. He informs me that the city is willing to make a liberal arrangement in regard thereto. The present custom-house is crowded to its utmost capacity, and will, in a few years, become entirely inadequate for the transaction of the customs business of the port of New York; indeed, it is already so. I would also suggest that the removal of the assay office to the same locality could be effected at a comparatively small expense. The present building is too small, the business is annually augmenting, and it appears to me must continue to do so, not only from the increase of business incident to the growth of the city of New York, but from the present and prospective facilities for the transportation of bullion from the mines. The assayer strongly favors the change. The present custom-house and assay office buildings are situated on the most valuable property in Wall street, and could be sold for a sum nearly sufficient to erect the proposed building.

The new revenue dock on the battery is progressing as rapidly as the limited appropriation at the disposal of the department will permit, and could have been completed this season had a sufficient appropriation been made at the last session of Congress. It is to be built entirely of granite, and will, it is believed, prove cheaper in the end than any temporary structure, and, it is hoped, be but the commencement of permanent wharves and piers for the city of New York. If a new custom-house is erected on the battery, I see no reason why the proposed barge office building cannot be dispensed with, which would, of itself, be a saving of not less than \$500,000.

In my last report I recommended the sale or leasing of the unoccupied half of the custom-house block in San Francisco, California. No authority having been obtained for its sale, it has been leased to Messrs. Buckbee & Williams, of that city, on terms that is believed are more advantageous to the department than any others that could be obtained. The investigations made during my late trip to the Pacific Coast have confirmed me in the opinions previously expressed, that the property is worthless for any permanent structure suitable for government purposes, and that the additional cost of foundations would be greater than the price of a suitable lot. The great damage caused by the earthquake of 1868 was to buildings erected, like the custom-house, on made land, while well-built structures erected on firm soil suffered little or no injury; and I am of the opinion that no danger need be apprehended to buildings so located, if properly constructed and of good material. I would, therefore, strongly urge the sale of this property at public auction, should the lease be disapproved. The lot chosen as a site for the new branch mint has proved an admirable selection. Interested or ignorant parties circulated reports that it was formerly a swamp. The lot was therefore thoroughly tested by boring, preparatory to the commencement of operations, with the most gratifying results, which demonstrated beyond a doubt the propriety of the selection, and the utter falsity of the rumors referred to. In this connection I may remark, as an evidence of the wisdom of the selection, and the comparative advantages of the mint and custom-house property, that the mint lot, which was purchased in 1867 for \$100,000, is now valued at \$250,000, while the custom-house lot has not advanced in value in the slightest degree.

No decision has yet been obtained in regard to the title of the marine hospital property in San Francisco, California, which is in litigation, and I am, therefore, unable to recommend the repairs of the building, which I found much less damaged than I expected, though entirely untenable in its present condition. I am of the opinion that as the location is not suitable for hospital purposes, and as the property will probably be needed at no distant period as a site for a custom-house, that it would be more desirable to erect a suitable hospital building on one of the government reservations near the city, than to expend any more money on a building, the design and construction of which are so radically defective.

I desire to call special attention to the necessity of a decision in regard to the unfinished monstrosity known as the New Orleans custom-house, which is a disgrace to the government, as well as its designers and builders. The temporary roof placed over it at the close of the war is almost worthless, and must be renewed or the building vacated. I cannot recommend the completion of the building according to the original design, which would cost upwards of two millions of dollars in addition to the amount already expended; a sum sufficient to erect, out of the material on hand, a suitable, convenient, and durable structure. I feel, on the other hand, reluctant to recommend that the immense mass of material now piled on the foundations be used as a quarry, and a proper building erected on the site, though I believe it would be the best plan. I am therefore inclined to advise the completion of the building as a two-story structure, and believe that ample room would be found therein for all legitimate purposes.

I desire to call special attention to the necessity of a re-organization of the marine hospital establishment on some definite and comprehensive plan, and would strongly recommend that the small hospitals, of which so large a number were erected prior to the war, be disposed of, and

hospitals maintained only at the more important ports. It is obvious that the cost per patient must be materially greater for small than for large hospitals, and that the most favorable working of the hospital system can be obtained only in buildings of sufficient size to warrant the employment of a suitable staff of officers. It is worthy of note that while marine hospitals have been erected in places like Burlington, Vermont; Burlington, Iowa; Galena, Illinois; Ocracoke Inlet, North Carolina, &c., no provision has been made for buildings at the great ports of New York, Philadelphia, and Baltimore; indeed, so remarkable has been the selection of locations that it is difficult to imagine any other motive for the erection of the buildings in many cases than a desire to expend money in the locality in which the buildings were located.

I would strongly recommend the sale of the hospitals at Vicksburg and Natchez, Mississippi; Ocracoke and Wilmington, North Carolina; and New Orleans, Louisiana. The latter is an immense but unfinished pile of cast iron, that has cost already \$527,934 34; is badly located and constructed, and it would cost more to repair and complete it than to erect a new and suitable building. It is at present, like the custom-house in the same city, but a monument of the incapacity of its designers and constructors.

I would also recommend that the hospital constructed in that city during the war, and known as the Sedgwick Hospital, (or such portions of it as may be needed,) be transferred from the War Department to the marine hospital establishment. The building is the property of the government, and admirably located, and I am advised that the land on which it is situated can be purchased on terms that would make it a desirable investment. I would also recommend the erection of suitable hospital buildings at the ports of New York and Baltimore, and would suggest that by making each new building the type of a different system of hospital construction, (in regard to the merits of which there is still great diversity of opinion,) much valuable information might be obtained. Thus the hospital to be erected in New York might be made the exponent of the experience gained in the late war, in regard to the proper construction of what is known as the "pavilion plan," while the hospital at Baltimore might, in like manner, embody all the improvements that have been made in the best French hospitals. The data thus obtained all being managed on the same system, would soon decide what form of hospital is best adapted for the cure of the sick, and for ease and economy of administration.

#### TREASURY EXTENSION.

The extension of the treasury building terminated with the completion of the north wing, which is occupied by the offices of the Treasurer of the United States and the Commissioner of Internal Revenue. The system of heating and ventilation adopted in that portion of the building has proved a success, and is now being introduced, as far as practicable, to the west and south wings. The improvements on the main west staircase are rapidly approaching completion, and will, it is believed, afford sufficient light and ventilation to that portion of the building, while the removal of the "monitor turret," referred to in my last report, has materially improved the exterior appearance. Work on the stairway at the northwest angle of the building is now progressing in a satisfactory manner, though commenced late in the season, operations having been necessarily delayed until the removal of the treasury to the north wing. These improvements will finally complete the north

and west wings, and add greatly to the beauty and convenience of those portions. It is with great satisfaction that I announce the removal of the hydraulic machinery and paper manufactory from the treasury building, and believe that this satisfaction is shared by every occupant of the building, particularly those who have of late years had their health impaired by inhaling the pestilential vapors and odors developed by the processes of paper-making, which permeated the building to a greater or less extent. The printing bureau has been removed from the basement to the attic story, which is well adapted to its wants, and provides the necessary isolation from the public portion of the building. The completion of the north wing and the removal of the printing bureau necessitated an entire redistribution of the space in the building, and the arrangement of the various offices in a permanent manner. This has involved an immense amount of labor and the entire refitting of the basement story, which had been badly, and I may say recklessly damaged, and was in a disgraceful condition. The approaches to the south front are nearly completed, and will, it is believed, accomplish the object for which they were designed, and meet general approval.

I desire to renew my recommendation that the skylight, so ingeniously introduced behind the south portico, be dispensed with, and the original design carried out, or the depth of the portico reduced to that of the north front. I would also strongly recommend that the unsightly driveway, that so seriously impairs the beauty of the west front, be removed, and the area reduced to a proper width. This would also enable the construction, at a slight expense, of the additional coal vaults that are required. An underground passage for the removal of ashes, &c., is also much needed. Some minor changes to improve the ventilation of the building are required, which would greatly increase the comfort and health of its occupants. I would strongly recommend that this fine building be completed by the rebuilding of the old east front. The stone of which it is constructed is rapidly decomposing; its rooms are small, ill-lighted, worse ventilated, and of little value. It must at no distant day be reconstructed, and the entire structure completed in a suitable and satisfactory manner.

I desire to renew my recommendations for the condemnation of a strip of land on the east side of Fifteenth street, between New York and Pennsylvania avenues, and the lowering of the grade of that street and the avenue on the north of the treasury grounds, believing that it is the cheapest and most satisfactory solution of the difficult problem presented by the unfortunate location of this magnificent building. I have carefully considered the subject, and can see no other remedy that would prove effectual, save raising the building to the level of the avenue on the north, which, though practicable, would be more costly, and I believe less satisfactory in its results. The earth that would be obtained by the excavation is much needed for the improvement of the reservation immediately south of the grounds connected with the Executive Mansion, and would be worth nearly or quite the cost of removal. In this connection I desire to call special attention to the improvements south of the Executive Mansion, now in progress under Brigadier General N. Michler, Superintendent of Public Buildings and Grounds, and to express a hope that sufficient appropriation will be made to enable him to complete Executive avenue, and continue the improvements so admirably commenced, by converting the various reservations that now extend from the Executive Mansion to the Capitol into a continuous park, which can be done at a merely nominal expense.

## ASTORIA, OREGON, CUSTOM-HOUSE.

Work was commenced on this building June 14, 1869; but the unfavorable character of the site, which upon examination was found to require extensive piling, has prevented much progress this season. The work is, however, being pushed forward as rapidly as the nature of the case will permit.

A fine quarry of sandstone has been opened near the city, from which it is believed a sufficient supply of stock can be obtained for the exterior of both this building and the one now being erected at Portland, in the same State. Great difficulty has been experienced in procuring supplies of cement and other building materials, which causes much delay, and has aided to retard the progress of the work. It is hoped, however, that the difficulties have been overcome, and that, if sufficient appropriations are granted, the building will be completed at an early day.

## CUSTOM-HOUSE, BANGOR, MAINE.

The extension of this building and the remodeling and repair of the old portion have been completed the present season, and the rooms have been properly furnished throughout.

The rapid prosecution and successful completion of this work reflect the highest credit upon the superintendent, who, in addition to his duties at this place, has also had charge of the custom-house in progress of erection at Wiscasset, Maine, and the remodeling of the custom-house at Castine, Maine.

The extension of this building has been completed within the estimates; but serious defects were discovered in the old portion, that rendered an increased expenditure indispensable to its preservation. By the enlargement of the building good accommodations have been provided for all the officers of the government occupying the same. An improved steam-heating apparatus has been provided, and the entire premises placed in the best condition.

## CUSTOM-HOUSE, BALTIMORE, MARYLAND.

This building is in as satisfactory condition as its nature will permit; but it is overcrowded and not well adapted to the wants of the service. Some further relief for the Post Office Department is imperatively needed, and I would recommend that an appropriation of \$20,000 be obtained for an addition to that portion of the building.

## CUSTOM-HOUSE, BURLINGTON, VERMONT.

The repairs and improvements so much needed to this building have been completed during the present season in a very satisfactory manner. The old covering has been replaced by a Mansard roof, which also adds another story to the building, and provides the additional accommodations demanded by the increase in the public business. The interior and the wood and iron work of the exterior have been repainted, and the entire building repaired, and it is now in better condition than when first completed.

The original construction of this building was so extremely defective that it cannot be made a first-class structure. It is hoped, however,

that the expenditure just made will make it available for government purposes for some years to come.

CUSTOM-HOUSE, CINCINNATI, OHIO.

I desire once more to call attention to the inadequate size and general unfitness of this building for the business of the government in that city. The accommodations for the post office and United States courts could scarcely be more unsuitable.

I would strongly urge the erection of a building of sufficient capacity to meet the demands of the public service in that city. Some improvements have been made to the post office portion during the past year, to meet the rapidly increasing wants of that important branch of the public business; but the relief is only temporary; and as the space is now made available to the fullest extent, it is evident that the erection of a new building, or the removal of some branches of the service to other quarters, cannot long be delayed.

CUSTOM-HOUSE, CASTINE, MAINE.

This building was purchased by the government April 6, 1833, since which time it has been occupied for customs purposes only. It has been thoroughly repaired and remodeled, and now provides ample accommodations for the custom-house and post office. The building was poorly constructed, but has been much improved, and is now in better condition than when first occupied. The alterations and repairs have been judiciously made, and it is believed that the building will meet the wants of the government for many years.

CUSTOM-HOUSE, CAIRO, ILLINOIS.

Work on this building has been pressed forward as rapidly as the limited appropriation made at the last session of Congress would permit, and the entire structure is now under roof. The exterior walls present a very fine appearance, and the workmanship is in every way creditable to the contractors and to the government. Had sufficient funds been provided, there would have been no difficulty in completing the interior the coming winter. Arrangements have been made to finish it at the earliest moment. There will be no difficulty in completing it early next season, if appropriations are promptly made. I would strongly urge the completion of the building at the earliest date, and that a sufficient appropriation be made for fencing and grading the block on which it stands, which was a donation to the government.

CUSTOM-HOUSE, ERIE, PENNSYLVANIA.

This building has been repaired, and is in good condition. It is, however, inadequate for the wants of the service at this port, and I would recommend that a new building be provided of sufficient capacity to accommodate the post office, custom-house, and other branches of the government represented in that city.

CUSTOM-HOUSE, MOBILE, ALABAMA.

Repeated requests for repairs on this building have been made during the past year. Estimates of the cost of the work deemed necessary

prepared, and so far exceeded the means of the department that action has been necessarily postponed until further appropriations are made. This should be done during the coming winter, and the building, which is a fine one, placed in good repair.

CUSTOM-HOUSE, NASHVILLE, TENNESSEE.

I desire to renew my recommendation that the department be authorized to exchange the present lot for one suitable for a site for the proposed building, or sell it at public auction and purchase one with the proceeds, the lot now owned by the government being entirely too small for the purpose for which it was purchased. The erection of a building upon it would be but a waste of money.

CUSTOM-HOUSE, OGDENSBURG, NEW YORK.

This building is now nearly ready for occupancy, and will, when completed, afford accommodations for all branches of the public service in that city. It was considered by many, when first designed, larger than the importance of the city demanded; but it will be fully occupied, and, I fear, in a few years will prove too small. It has been well and cheaply constructed, and gives general satisfaction to the citizens of Ogdensburg and the officers of the government. A first-class heating apparatus has been provided, and arrangements made for furnishing the building in a suitable manner.

CUSTOM-HOUSE, PORTLAND, MAINE.

This building has been inclosed, and the approaches will be completed the present season. It was expected that this would have been accomplished last season, but was prevented by causes beyond the control of this office, the principal one being the failure of the contractor for granite to comply with his obligations as to time of delivery. The workmanship is, however, of the very best character, and the building is not only highly creditable to the government, but an ornament to the city of Portland.

CUSTOM-HOUSE, PORTSMOUTH, NEW HAMPSHIRE.

This is a finely constructed building of granite, finished in 1860, at a cost (including site) of \$165,725 96. Unfortunately, however, it was covered with a galvanized iron roof, which, like all others of its class, has proved a complete failure, and, in spite of frequent repairs, the interior of the building has been seriously damaged. The corrugated iron has been removed and replaced by an excellent copper roof.

CUSTOM-HOUSE, PORTLAND, OREGON.

Operations were commenced on this building on the 1st of July last, and have been prosecuted as vigorously as possible. It was originally designed to construct it of pressed brick, but it was found difficult to obtain a suitable quality for the purpose on that coast, and it has accordingly been decided to face the exterior of sandstone from the quarries at Astoria, now being worked by this department, it being cheaper and far more satisfactory. The design contemplates a building one hundred and eighteen feet by sixty-four feet, two stories in height, with an attic, which will provide accommodations when completed for the custom-



house, post office, internal revenue department, and United States courts. The rapid increase in the business of Portland, the customs revenues of which have increased not less than threefold during the past eighteen months, has induced the department to erect a larger and more permanent building than was at first intended, it having been evident that the erection of one of inadequate size would simply involve a useless expenditure from which the government could derive no benefit. The cost of the building will also be somewhat increased by the change from brick to cut stone.

#### CUSTOM-HOUSE, RICHMOND, VIRGINIA.

This building, which has been much in need of repairs for some time, has been thoroughly repaired and remodeled. The old galvanized iron covering, which was entirely worthless, has been replaced by a first-class copper roof, and the building is now in a good condition and much more convenient than when first completed.

#### CUSTOM-HOUSE, SUSPENSION BRIDGE, NEW YORK.

The alterations and repairs of this building have been completed, the rooms neatly furnished, and the officers installed therein. The work has cost much more than was at first estimated, the building being found, as is usually the case, in a worse state than was anticipated. It has been placed in good condition, and no pains spared to make the repairs as permanent as possible. The building is conveniently situated, and well adapted to the wants of the government. New and improved hot-air furnaces have been provided and the building furnished.

#### CUSTOM-HOUSE, SAN FRANCISCO, CALIFORNIA.

As noted in my last report, this building was severely injured by the earthquake. It was judiciously repaired by the superintendent, and it is now in as good condition as the nature of the structure will permit. The front portico was so badly shattered that it could not be restored, and was consequently removed. Wood ceilings were substituted for plaster, and the building braced and inclosed with suitable iron rods, but it will probably not last many years; and, because of the objections I have heretofore made to the unfitness of its location for such purposes, I would strongly recommend the erection of a building of sufficient capacity to accommodate the custom-house, post office, internal revenue offices, United States court, &c., and believe the marine hospital lot admirably adapted for that purpose.

#### CUSTOM-HOUSE, ST. LOUIS, MISSOURI.

I cannot refrain from again calling attention to the unsuitable character of this building for government purposes, and would strongly urge the importance of taking immediate steps for the erection of a suitable building in some eligible locality.

#### CUSTOM-HOUSE, ST. PAUL, MINNESOTA.

Although work on this building has advanced more rapidly the present season than the preceding one, the rate of progress has been by no means equal to the expectations of this office. The workmanship is, however.

of the very best quality, and the two stories already completed will compare favorably with any public or private work in the country. Great difficulty has been experienced in obtaining a supply of granite and skilled mechanics. It is hoped, however, that better progress will be made next year, and the building be well advanced to completion by the date of my next report. It will be one hundred and thirty feet by seventy feet, and three stories in height, and will accommodate the custom-house, post office, offices of internal revenue, the United States courts, and the land office with its valuable records.

#### CUSTOM-HOUSE, TOLEDO, OHIO.

As no arrangements were made at the last session of Congress looking to the erection of a new custom-house at this place, it was decided to proceed with the repairs and remodeling of the present building. It has been rearranged, and is now in good repair, and is as well adapted to the purposes for which it is to be used as it can be made. The lot has been graded and inclosed with a neat iron fence; and the entire premises placed in good condition.

#### CUSTOM-HOUSE, WISCASSET, MAINE.

This is the only building in process of construction under this office that is being erected by contract, and the result has been much the same as with the contract system generally. By the terms of his agreement the contractor was to have completed the building on the 1st day of June, 1869; but it is not yet finished, though every effort has been made to enforce the contract. Some delays have occurred for which he is not justly chargeable; but it could, with ordinary diligence, have been completed long since; and it would have been more advantageous to the department to have erected it on the same system as the other buildings now in course of construction.

#### CHICAGO MARINE HOSPITAL.

I am again compelled to report this building in an unfinished condition. Congress having failed, at its last session, to appropriate a sufficient sum of money for its completion. This is to be regretted, as the building is much needed, and work on such a structure can be carried forward with far greater economy when not interrupted by frequent suspensions from lack of funds or other causes. The workmanship thus far has been of the best quality, and the prices paid reasonable, and below rather than above market rates. I cannot too strongly urge the importance of obtaining a sufficient appropriation to complete the building at an early day.

#### UNITED STATES MARINE HOSPITAL, PORTLAND, MAINE.

During the severe gale that occurred on the 8th of September, 1869, the roof of this building was destroyed; three chimneys were blown down, and much other damage inflicted, all of which required immediate attention. Arrangements have been made for the necessary repairs. As noted in my previous reports, however, this building was very defective in design and construction. These defects are so radical that it cannot be made either substantial or convenient.

## UNITED STATES MARINE HOSPITAL, ST. LOUIS, MISSOURI.

Repeated applications have been made for the repair and remodeling of this building, which is undoubtedly much needed. The limited appropriation at the disposal of this office has, however, prevented any action this season.

## COURT-HOUSE, BOSTON, MASSACHUSETTS.

The main court-room of this building has been improved and a new one constructed, which has added greatly to the convenience of the building. It is, however, unfit for the purpose for which it is used, being neither convenient nor fire-proof. The building is now in very good condition.

## COURT-HOUSE, BALTIMORE, MARYLAND.

A new stairway has been provided between the second and third stories of this building, the old one being very inconvenient and ill-arranged; the arrangement of rooms in the second story changed to afford better accommodations for the officers of the judiciary; an office provided for the pension agent on the ground floor, and the whole premises placed in good condition. The portico on Fayette street disfigures the building greatly, and is very inconvenient, and it should never have been placed there. It is proposed to remove it at the earliest practicable moment, and finish the front in a proper manner, the granite of the portico being, it is believed, of sufficient value to cover the entire expense.

## UNITED STATES POST OFFICE AND TREASURY, BOSTON, MASSACHUSETTS.

Work was commenced on the excavation for this building in May last; proposals for excavation, and for a supply of cement and sand, had previously been invited, but no satisfactory offers could be obtained, and contracts were made in open market at much more favorable rates. The work has been done by the day under the personal supervision of Gridley J. F. Bryant, esq., superintending architect, and has been pushed forward as rapidly as the means at his disposal and the nature of the work permitted. Unusual difficulties have been encountered, but the foundations are finished, and it is believed that the entire basement story will be completed this season. The contracts for the supply of all material have been made at most advantageous rates, and the work performed at satisfactory prices. It is, however, believed that these can and will be reduced on the superstructure, arrangements having been made that will greatly facilitate future operations, and if sufficient appropriations are made, insure an early completion of this important structure. As the appropriation was insufficient to cover a contract for the entire amount of granite required, and as the law prohibited the department from contracting beyond the amount of the appropriation, it was determined, as the only method of protecting the interests of the government and insuring a supply of the same kind of stone for the entire building at fair prices, to lease a quarry at a certain stipulated price per annum from which the government could take a greater or less amount of material as might be required, paying in proportion to the amount used. A lease has accordingly been concluded with the Cape Ann Granite Company for the use of their quarries, on extremely favorable terms.

and an ample supply of stone for the entire building thus secured at rates far below the market price. I desire in this connection to urge the importance of securing an additional piece of property on Milk street, which I consider indispensable. I also desire to express my thanks to the officers of the Merchants' Insurance Company, who own the adjoining estate on Water street, for their generous co-operation, and the liberal arrangements made, by which the government has been enabled to close and cover the open passage-way between the two estates, which will add greatly to the value and beauty of the property, and to acknowledge the obligations under which the department has been placed by the city of Boston, in raising, at its request, the grade of Devonshire and Water streets, which has greatly increased the convenience of access, and rendered the basement available for post office purposes, and for other facilities for prosecuting the work that have been afforded. I have also to express my entire satisfaction with the management of the superintendent, to whom I am much indebted for assistance and advice, and whose experience has been of the greatest value in the prosecution of the work, and to call the attention of the department to the important services rendered by the disbursing agent and custodian of the property, General W. L. Burt, in adjusting legal difficulties and property rights with adjoining owners, and by the arrangements he has made for securing a uniform front on Water street from Devonshire to Congress streets.

UNITED STATES COURT-HOUSE, DES MOINES, IOWA.

The progress of the work on this building has been quite satisfactory during the present season, and had the contractor for the stone work delivered the same as rapidly as required by his contract, there is no doubt that the entire building would have been completed this year. The workmanship throughout is of good quality, and the building satisfactory, both in cost and appearance.

UNITED STATES COURT-HOUSE, INDIANAPOLIS, INDIANA.

This building was provided with a new copper roof a few years since, but it has been a constant source of annoyance and expense ever since from leakage, caused by the contraction and expansion of the copper. The gutters have been reconstructed and the roof thoroughly repaired, and it is hoped that the difficulties have been permanently removed. The work has been well done, and some changes made in the court-room and post office department to accommodate the letter-carrier system, and it is hoped that no material expenditures will be required on the building for some years.

COURT-HOUSE, MADISON, WISCONSIN.

The exterior walls and the roof of this building have been completed; the windows put in place, and good progress made in the preparation of the interior finish. There is no doubt of its entire completion during the coming season, if the necessary appropriations are made. The work on this building is of the best possible character, and is surpassed by none in the country. Great economy has been exercised by the superintendent, and it gives me pleasure to say that his management has been highly creditable to him.

COURT-HOUSE AND POST OFFICE, NEW YORK.

The inclosure of the lot on which this building is to be located was commenced on the 9th of August last; all efforts to effect an exchange of site, as provided for in the act approved March 3, 1869, having failed.

The excavation was commenced on the 17th of the same month, and has since that time, in spite of the extraordinary difficulties experienced, been pressed forward rapidly. It was deemed of the utmost importance that the retaining and foundation walls should be completed at the earliest moment, not only on account of the great risk necessarily incurred by excavating so far below the level of Broadway in a bed of sand, but in order to inconvenience the city of New York as little as possible by the continued occupancy of the entire sidewalks adjoining the property, the use of which and of a considerable portion of the park has been kindly granted by the authorities of the city of New York, to whom I desire to express my obligations, and particularly to Hon. A. Oakey Hall, the mayor, and to the Hon. George W. McLean and William M. Tweed, street commissioners, for these and other valuable favors. It was therefore determined to continue the work night and day by means of relays of hands. This has been accomplished at a very slight additional expense by the use of calcium lights. Contracts were awarded, after due advertisement, to the lowest bidders for excavation, stone, and cement. The two former contracts have been canceled for non-fulfillment according to their terms, and purchases made in open market at more satisfactory rates. The work is being performed by the day, under the immediate supervision of the Hon. C. T. Hulburd, whom I am unable to praise too highly for the manner in which he has performed his duties, and the vigilance he has exercised in guarding the public interests, and who has been ably seconded in all his efforts by the disbursing agent, General P. H. Jones, for whose cordial cooperation and constant efforts to promote the success of the enterprize, I wish here to attest my appreciation and express my thanks. I cannot too strongly urge the importance of granting a sufficient appropriation to inclose the building during the coming season, which I am satisfied can be done if the necessary means are provided and no unforeseen obstacles arise.

OLD POST OFFICE, NEW YORK CITY.

This building has been renovated, some new and improved assorting and distributing tables provided, and the arrangements are perhaps as convenient as is possible in such a wretched and over-crowded structure. It is but just to the officers of the post office department in New York to say that they have transacted their business under great difficulties, and it is a matter of surprise under the circumstances that they have performed their arduous duties so well.

COURT-HOUSE, PORTLAND, MAINE.

Great difficulties have been experienced during the entire season to obtain the marble work for this building from the contractors, and it is only by the most decisive measures that the material has been obtained in season to enable the completion of the roof this fall. The work is well cut, however, and it is believed the building will compare very favorably with any other marble structure in the country. It is believed the entire exterior stone work will be finished this fall, and that the building will be completed early next season.

UNITED STATES COURT HOUSE AND POST OFFICE, PHILADELPHIA, PA.

By late orders from the Post Office Department six of the sub-post office stations in this city have been consolidated with the main office, rendering it necessary to make some changes and an addition to the building to provide the accommodation required. It is estimated that \$20,000 will be required for the purpose, which amount I strongly recommend be appropriated.

**COURT-HOUSE AND POST OFFICE, SPRINGFIELD, ILLINOIS.**

This building has been completed and occupied, and is believed to be one of the most convenient buildings in the country. It has been built in the most substantial manner, and at lower rates than those paid on other public works in the same locality. The management of the late superintendent was not satisfactory, but in spite of this and other disadvantages, the building is a cheap as well as a most substantial structure. It is to be regretted that the estimates for grading and paving submitted at the last Congress were not granted, as the work could readily have been performed this season, and at a less expense than hereafter. The entire cost of superintendence could have been saved, and the great annoyance to the citizens of Springfield obviated. I would strongly urge the purchase of an additional strip of land adjoining the property on the east side for the protection of the building.

**BRANCH MINT, NEW ORLEANS, LOUISIANA.**

This building is no longer used for mint purposes, and is of very little practical value to the government. I would recommend that an arrangement be made for the disposal of the property to the city of New Orleans, the site having been donated to the United States by that city to be used for mint purposes only. It is, in its present condition, little more than a source of expense to the government, the necessity for a mint at New Orleans having apparently ceased.

**UNITED STATES BRANCH MINT, DALLES CITY, OREGON.**

The erection of this building was commenced in February last, and, considering the difficulty of procuring mechanics and materials, a very fair rate of progress has been made. The foundation and basement walls have been completed, a considerable portion of the walls of the first story built, and it is believed that the work can be completed the coming season. The building will be two stories in height, of rubble stone. It is of much the same character as the branch mint at Carson City, Nevada, but it is believed that it can be erected for a less sum than the latter, the cost of transportation, and consequently of material, being far less, though the general high prices ruling on the Pacific coast render building operations of all kinds very costly. The management of the superintendent has thus far been very satisfactory.

**BRANCH MINT, SAN FRANCISCO, CALIFORNIA.**

The lot was carefully tested by boring, and the character of the soil proving entirely satisfactory, work was commenced in March last and has been pushed forward in a rapid and efficient manner. Arrangements had been made to obtain stone from the government quarries on Angel Island, near San Francisco, but it was found, on examination, so difficult to obtain a sufficient supply of a satisfactory color, that it was abandoned, and proposals obtained for granite and other stone. After a careful examination of the various samples submitted, it was decided to build the basement story of granite from the Penrhyn quarries and the superstructure of a most beautiful and durable dark blue freestone. By this arrangement a considerable saving will be effected and the beauty of the building increased. The building is to be two stories and a basement in height, 221 by 164 feet, with an interior courtyard 102 by 44 feet.

**BRANCH MINT, CARSON CITY.**

After a personal inspection of this building, which has at last been entirely completed, I am compelled, in justice to the superintendent, to

say that I believe it to be one of the most faithfully and economically constructed buildings in the United States; indeed, I am surprised at the result accomplished, when the enormous prices of labor and material and the difficulties and embarrassments incident to insufficient appropriations are considered. A great deal of criticism has been elicited in regard to the size of the building, which has been pronounced unnecessarily large, but I do not hesitate to assert that if a mint is needed at Carson City, the building is too small, and that it will require additions at no distant day. A fuel shed and blacksmith's shop is much needed, and should be erected without delay.

**PUBLIC STORE, BALTIMORE, MARYLAND.**

This building was purchased in 1833, and by the rapid increase of the commerce at Baltimore, it has become entirely inadequate for the transaction of the appraisers' business which is carried on therein. The building has been remodeled and a steam-heating and hoisting apparatus provided. The relief thus granted will, however, be but temporary, and I would recommend that steps be taken to provide a suitable building for the use of this very important branch of the public service.

**APPRAISERS' STORES, PHILADELPHIA, PENNSYLVANIA.**

It is much to be regretted that a sufficient amount was not appropriated at the last session of Congress to complete this building this season, which might easily have been done, and the building now occupied, the rent saved, and an income derived from the portion to be devoted to storage.

The exterior walls are now finished and only require the roof to have the building entirely inclosed. It is one of the finest warehouses in the world, and will, when completed, be second to none of its class within my knowledge. It is greatly needed for the government, and I cannot too strongly urge the importance of its early completion.

**BARGE OFFICE, NEW YORK.**

Work on this improvement has progressed very slowly and under great disadvantages, not the least of which was the lack of funds to enable the department to contract for the construction of the entire seawall this season, the appropriations asked for having been reduced below the amount necessary for its completion. From the peculiar location of the work operations are carried on with great difficulty, the work being under water and necessarily performed by divers, which, of course, has rendered its progress slow. It is hoped, however, that it will be so far advanced this season as to prevent injury from the ice and spring floods, otherwise considerable damage will probably occur.

No appropriation has yet been made for the erection of the building, preparations for commencing which might be made before the completion of the wall and at a great saving of expense.

\* \* \* \* \*

Very respectfully, your obedient servant,

A. B. MULLETT,  
*Supervising Architect.*

Hon. GEORGE S. BOUTWELL,  
*Secretary of the Treasury.*

*Tabular statement of custom-houses, court-houses, post offices, branch mints, &c., under the charge of this office, exhibiting the cost of site, date of purchase, contract price for construction, actual cost of construction, and the total cost of the work, including site, alterations and repairs, to June 30, 1869.*

[NOTE.—Sums marked with an asterisk (\*) denote "Building and site."]

Nature and location of work.	Date of purchase.	Cost of site.	Contract price of construction.	Actual cost of construction.	Total cost to June 30, 1869.
CUSTOM-HOUSES.					
Alexandria, Va., (old)	Nov. 25, 1830	*\$8,000 00		\$8,246 46	\$14,396 46
Alexandria, Va., (new)	May 3, 1856	16,000 00	\$37,149 37	57,913 64	77,961 89
Astoria, Or., (old)	Mar. 27, 1856	900 00			
Astoria, Or., (new) (a)	May 7, 1868	8,000 00			10,567 26
Bath, Me.	Feb. 7, 1852	15,070 00	47,594 36	90,182 65	105,440 41
Bangor, Me.	June 5, 1851	15,000 00	45,584 39	103,698 13	195,238 47
Barnstable, Mass.	April 24, 1855	1,500 00	17,250 00	34,433 71	37,489 93
Baltimore, Md.	July 16, 1817	*70,000 00			
Baltimore, Md. (b)	Feb. 10, 1853	*110,000 00		451,672 61	893,217 57
Baltimore, Md.	May 28, 1857	*207,000 00			
Belfast, Me.	Oct. 4, 1856	5,600 00	17,500 00	34,340 25	38,534 82
Boston, Mass.	Aug. 29, 1837	180,000 00		886,658 00	1,103,431 26
Bristol, R. I.	Mar. 12, 1856	4,400 00	17,522 00	23,932 68	28,297 00
Buffalo, N. Y.	Jan. 22, 1855	45,000 00	117,769 05	191,764 34	282,480 77
Burlington, Vt.	Mar. 30, 1855	7,750 00	28,238 40	40,636 96	55,798 31
Cairo, Ill. (c)	April 28, 1866			139,958 32	
Castine, Me.	April 6, 1833	1,200 00			1,458 53
Charleston, S. C., (old)	Feb. 14, 1818	*60,000 00			70,000 00
Charleston, S. C., (new)	July 10, 1849	130,000 00		1,939,948 46	2,107,975 82
Cleveland, Ohio	April 9, 1856	30,000 00	83,500 00	138,236 30	189,565 11
Cincinnati, Ohio	Sept. 1, 1851	50,000 00		242,197 23	360,900 99
Chicago, Ill.	Jan. 10, 1855	26,600 00			
Chicago, Ill.	July 1, 1857	34,200 00	276,750 56	365,694 18	467,473 33
Chicago, Ill.	Jan. 26, 1865	8,400 00			
Detroit, Mich.	Nov. 13, 1855	24,000 00	103,100 66	214,020 61	217,472 14
Dubuque, Iowa	Feb. 17, 1857	20,000 00	87,334 50	173,607 53	199,655 96
Eastport, Me., (old) (d)	— 1830				
Eastport, Me., (new)	July 3, 1847	2,780 00	30,500 00	32,509 60	41,789 10
Ellsworth, Me.	April 11, 1855	3,000 00	9,200 00	21,629 84	26,646 42
Erie, Penn.	July 2, 1849	*29,000 00			31,985 14
Galena, Ill.	Mar. 24, 1857	16,500 00	43,629 00	61,372 44	78,529 04
Galveston, Tex.	Sept. 1, 1855	6,000 00	94,470 74	108,350 82	130,995 10
Georgetown, D. C.	Oct. 23, 1856	5,000 00	41,582 00	50,736 11	65,048 81
Gloucester, Mass.	June 6, 1855	9,000 00	26,596 78	40,765 11	49,785 11
Kennebunk, Me.	Nov. 19, 1832	*1,575 00			2,348 42
Key West, Fla.	July 26, 1833	*4,000 00			8,699 66
Louisville, Ky.	Feb. 7, 1851	16,070 00	148,158 00	246,640 75	303,438 16
Middletown, Conn.	Oct. 8, 1833	3,500 00		12,176 64	32,801 83
Milwaukee, Wis.	Feb. 16, 1855	12,200 00	130,064 03	159,700 00	190,216 54
Mobile, Ala., (old) (e)	— 1830				
Mobile, Ala.	Oct. 13, 1851	12,500 00		382,159 93	400,514 05
Nashville, Tenn.	Feb. 17, 1857	20,000 00			
Newark, N. J.	May 30, 1855	50,000 00	81,252 90	108,519 00	163,732 54
New Bedford, Mass.	April 13, 1833	4,900 00		24,500 00	35,228 82
Newburyport, Mass.	Aug. 9, 1833	3,000 00		23,188 50	26,960 80
New Haven, Conn.	June 1, 1855	25,500 00	88,000 00	158,614 50	*190,865 67
New London, Conn.	May 18, 1833	3,400 00		14,600 00	21,411 95
New Orleans, La. (f)	Jan. 27, 1848			2,929,264 50	2,983,021 56
Newport, R. I.	Sept. 16, 1829	1,400 00		8,600 00	12,464 23
New York, N. Y., (old)	Dec. 16, 1816	*70,000 00			1,272,559 41
New York, N. Y. (g)	Jan. 9, 1833	200,000 00		858,846 76	1,244,435 41
New York, N. Y.	April 29, 1865	*1,000,000 00			1,272,559 41
Norfolk, Va., (old)	Dec. 6, 1817	9,000 00			47,002 33
Norfolk, Va., (new)	Feb. 28, 1852	13,500 00		223,893 75	225,339 66
Ogdensburg, N. Y. (h)	Dec. 4, 1857	8,000 00			177,602 23
Oswego, N. Y.	Feb. 15, 1854	12,000 00	77,255 00	121,092 89	133,958 75
Plattsburg, N. Y.	June 10, 1856	5,000 00	51,224 94	71,450 17	72,890 90
Pensacola, Fla. (i)			27,115 00	48,004 27	51,488 93
Petersburg, Va.	Feb. 5, 1856	15,000 00	67,619 88	78,754 89	103,211 08
Pittsburg, Pa.	May 8, 1851	41,000 00	39,866 00	99,747 00	151,446 48
Philadelphia, Pa.	Aug. 27, 1844	*257,000 00			316,803 19
Plymouth, N. C.	May 17, 1834	*2,506 00			2,932 70
Portsmouth, N. H.	June 22, 1857	19,500 00	82,728 96	145,046 91	165,775 65
Portland, Maine, (old) (j)	Oct. 4, 1828	5,500 00			
Portland, Maine.	Dec. 31, 1866	35,000 00			336,630 32
Portland, Maine, (new) (k)	July 5, 1849	*149,000 00			
Providence, R. I., (old)	Nov. 26, 1817	3,000 00		10,504 00	16,492 26
Providence, R. I.	Oct. 9, 1854	40,000 00	151,000 00	202,334 33	261,302 93
Richmond, Va.	June 22, 1853	61,000 00	110,000 00	194,404 47	260,695 01
San Francisco, Cal.	Sept. 5, 1854	150,000 00	400,000 00	628,581 49	805,255 84
Sandusky, Ohio.	Dec. 28, 1854	11,000 00	47,560 00	64,522 16	75,523 05



## Statement of custom-houses, court-houses, post offices, branch mints, &amp;c.—Continued.

Nature and location of work.	Date of purchase.	Cost of site.	Contract price of construction.	Actual cost of construction.	Total cost to June 30, 1869.
<b>CUSTOM-HOUSES—Continued.</b>					
Savannah, Ga.	Dec. 16, 1845	\$20,725 00		\$156,434 35	\$179,892 61
Salem, Mass.	June 23, 1818	5,000 00		14,271 77	35,838 59
St. Louis, Mo.	Oct. 31, 1851	37,000 00	\$336,309 07	321,987 68	381,234 17
St. Paul, Minn. (b)	April 10, 1867	16,000 00			124,948 62
Suspension Bridge, N. Y.	May 25, 1867	*6,000 00			25,635 55
Toledo, Ohio.	Feb. 20, 1855	12,000 00	45,530 11	64,524 16	87,912 00
Waldoboro, Maine.	Nov. 29, 1852	2,000 00	15,800 00	22,824 68	25,132 93
Wheeling, W. Va.	Sept. 7, 1855	20,500 00	85,070 82	96,648 64	125,208 46
Wilmington, N. C. (m)	Mar. 19, 1819	*14,000 00			
Wilmington, N. C.	May 17, 1845	1,000 00		42,039 75	59,971 70
Wilmington, Del.	May 27, 1853	3,500 00	29,234 00	40,146 34	45,400 29
Wiscasset, Maine, (old) (n)	Nov. 23, 1848	*2,000 00			
Wiscasset, Maine (o)	June 20, 1868	1,800 00			12,433 43
<b>MARINE HOSPITALS.</b>					
Chelsea, Mass. (p)	June 12, 1858	50,000 00	122,185 39	233,015 31	373,345 61
Cleveland, Ohio.	Oct. 11, 1837	12,000 00	20,000 00	79,972 05	110,119 31
Chicago, Ill. (q)	Jan. 22, 1867	10,000 00			143,460 64
Detroit, Mich.	Mar. 10, 1855	23,000 00	54,637 12	78,215 14	106,230 31
Galena, Ill. (r)	Mar. 14, 1857	5,052 00	29,862 00	48,292 93	53,849 58
Key West, Fla.	Nov. 30, 1844	500 00		25,000 00	31,378 13
Louisville, Ky.	Nov. 3, 1842	6,000 00		53,591 28	90,631 78
Mobile, Ala.	June 20, 1838	4,000 00			
Mobile, Ala.	Aug. 25, 1856	6,000 00		51,400 00	64,540 00
Natchez, Miss.	Aug. 9, 1837	7,000 00		59,785 37	66,785 37
New Orleans, La.	Aug. 7, 1855	12,000 00	429,395 79	496,163 05	528,134 34
Norfolk, Va.	Dec. 16, 1860	*6,125 34			15,693 35
Ocracoke, N. C.	May 15, 1843	1,000 00			10,327 07
Pittsburg, Pa.	Nov. 7, 1842	10,253 00		50,420 32	66,976 05
Portland, Maine	Nov. 22, 1852	11,000 00	66,200 00	84,758 73	108,853 60
San Francisco, Cal.	Nov. 13, 1852	600 00		224,000 00	230,042 32
St. Louis, Mo. (s)	Mar. 7, 1850			85,712 63	98,458 03
Vicksburg, Miss.	June 25, 1853	4,500 00			
Vicksburg, Miss. (t)	Feb. 28, 1856	4,700 00	57,021 02	67,525 16	76,975 16
Wilmington, N. C.	Mar. 17, 1857	6,500 00	28,968 25	37,346 04	43,897 44
<b>COURT-HOUSES AND POST OFFICES.</b>					
Baltimore, Md.	June 6, 1859	50,000 00	112,808 04	205,176 97	261,389 71
Boston, Mass.		*105,000 00			110,244 41
Boston, Mass. P. O. & Sub. Treas'y	Mar. 25, 1868	464,218 67			
Des Moines, Iowa	Oct. 16, 1866	15,000 00			140,506 41
Indianapolis, Ind.	Nov. 5, 1856	17,160 00	98,983 79	148,032 07	190,888 93
Key West, Fla.	April 28, 1858	3,000 00			
Memphis, Tenn.	June 6, 1860	15,000 00			
Madison, Wis. (u)	Mar. 25, 1867				174,906 41
New York, N. Y., P. O.	April 11, 1867	500,000 00			
Portland, Maine (v)					181,003 88
Philadelphia, Pa.	Oct. 6, 1860	*161,000 00		73,473 40	245,379 52
Raleigh, N. C.	Aug. 7, 1860	7,700 00			
Rutland, Vt.	July 4, 1857	1,400 00			
Rutland, Vt.	May 17, 1859	500 00	55,701 75	62,697 56	73,663 48
St. Augustine, Fla. (w)					
Springfield, Ill.	Mar. 2, 1857	6,000 00			275,487 03
Windsor, Vt.	Mar. 4, 1857	4,700 00	53,258 84	68,262 48	85,661 42
<b>U. S. MINTS.</b>					
Carson City, Nevada (x)	May 3, 1865				292,000 00
Charlotte, N. C.	Nov. 2, 1835	1,500 00		66,849 82	101,899 02
Dalhousie, Ga. (y)	Aug. 3, 1835	1,050 00		69,588 33	69,588 33
Dallas City, Or. (z)					40,266 81
Denver, Col.	Nov. 26, 1862	*25,000 00			93,377 69
New Orleans, La.	June 19, 1835				614,825 88
Philadelphia, Pa.	July 18, 1792	*3,466 66			
Philadelphia, Pa.	April 30, 1829	*31,066 67		207,101 25	230,508 03
San Francisco, Cal., (old)	May 2, 1854	*283,929 10			300,000 00
San Francisco, Cal. (aa)	Jan. 1, 1867	100,000 00			159,949 95
<b>MISCELLANEOUS.</b>					
Assay office, Boise City, Idaho (bb)					
Assay office, N. Y.	Aug. 21, 1854	*530,000 00			713,358 75
Appraisers' stores, Baltimore, Md.	June 10, 1833	*30,000 00			30,099 70
Appraisers' stores, Philadelphia, Pa. (cc)	Mar. 2, 1857	*250,000 00			435,352 43

*Statement of custom-houses, court-houses, post offices, and branch mints, &c.—Continued.*

Nature and location of work.	Date of purchase.	Cost of site.	Contract price of construction.	Actual cost of construction.	Total cost to June 30, 1869.
<b>MISCELLANEOUS—Continued.</b>					
Appraisers' stores, San Francisco, Cal.	Feb. 1, 1856		\$53,000 00		\$99,966 19
Barge office, N. Y.	Mar. 30, 1867	\$10,000 00			16,888 04
Boarding station at Southwest Pass, La.	May 9, 1857	*3,500 00			7,335 70
Boarding sta'n at Pass à l'Ouvre, La. (dd)	Feb. 1, 1856		10,900 00		12,000 00
Capitol, New Mexico					57,851 20
Pine street building, No. 23, N. Y.		11,137 60			11,226 57
Penitentiary, New Mexico					20,000 00
Penitentiary, Utah					53,361 90
Quarantine warehouse at New Orleans, La.	Sept. 23, 1858		31,984 00		39,865 12
Treasury building U. S.					6,657,619 61

\* Building and site.

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|--|---|
| <p>(a) In course of erection.<br/> (b) Including post office.<br/> (c) In course of erection; site donated.<br/> (d) Acquired for debt.<br/> (e) Building sold and removed, and present building erected on site.<br/> (f) Site donated.<br/> (g) Now sub-treasury.<br/> (h) In course of erection.<br/> (i) Built on government reservation.<br/> (j) New custom-house in course of erection on these sites.<br/> (k) Court-house in course of erection on site; building destroyed by fire January 8, 1854.<br/> (l) In course of erection.<br/> (m) Old building destroyed by fire January 17, 1840; present building erected on site; additional site.<br/> (n) Building destroyed by fire Oct. 9, 1866.</p> | <p>(o) In course of erection.<br/> (p) Part of lot sold for \$38,070 03.<br/> (q) In course of erection.<br/> (r) Sold Nov. 5, 1868.<br/> (s) Ceded by War Department.<br/> (t) Used by War Department.<br/> (u) In course of erection; site donated.<br/> (v) In course of erection on site of old custom-house.<br/> (w) Acquired from Spain.<br/> (x) Including machinery; site donated.<br/> (y) Used by War Department.<br/> (z) In course of erection; site donated.<br/> (aa) In course of erection.<br/> (bb) Plans in preparation.<br/> (cc) In course of erection on site of Pennsylvania Bank building.<br/> (dd) Use of site granted.</p> |
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**REPORT OF THE TREASURER OF THE UNITED STATES.****TREASURY OF THE UNITED STATES,***Washington, November 1, 1869.*

SIR: The following statements of the *receipts* and *expenditures* of the Treasury of the United States, made in pursuance of statutory law, are most respectfully submitted. They exhibit the business transactions of the office located at the seat of government, and include as well all the offices belonging thereto, comprising all the offices of Assistant Treasurers, officers designated as depositaries of the moneys of the United States, and all national banks that have been designated as such depositaries, by or through which money has been received or disbursed—all under their appropriate heads; and also showing the movement of the office in the past, as compared with the present, accompanied with suggestions for the future, for the fiscal year ending with the 30th day of June, 1869.

The books of the office were closed at the date specified, after the entry therein of all moneys received and disbursed, on authorized warrants, within said fiscal year, as follows:

*Cash Dr.*

Balance in treasury from last year.....	\$130,834,437 96	
Received from loans.....	\$247,519,755 76	
Received from internal revenue.....	158,356,460 86	
Received from miscellaneous sources..	27,752,829 77	
Received from direct tax.....	765,685 61	
Received from lands.....	4,020,344 34	
Received from war.....	27,432,471 85	
Received from navy.....	9,945,975 07	
Received from treasury.....	1,601,379 70	
Received from interior.....	1,024,402 09	
Received from customs, (in gold).....	180,048,426 63	
Received from debit of two items in Register's Office.....	6,493 63	658,474,225 31
Total.....		<u>789,308,663 27</u>

*Cash Cr.*

Paid on account of public debt.....	\$403,123,315 86	
Paid on account of the army.....	105,934,462 46	
Paid on account of the navy.....	29,946,733 04	
Paid on account of the interior.....	36,543,946 93	
Paid on account of the treasury proper.....	26,307,597 40	
Paid on account of the treasury interior.....	4,996,952 83	
Paid on account of the internal revenue.....	9,226,376 11	
Paid on account of the customs.....	14,266,031 46	
Paid on account of the diplomatic.....	1,287,713 99	
Paid on account of the quarterly salaries.....	502,010 36	
Paid on account of the war, (civil branch).....	1,488,759 08	
Unavailable, transferred to Register.....	4,422 90	
Balance in treasury.....	155,680,340 85	
Total.....		<u>789,308,663 27</u>

The receipts were carried into the treasury by 10,990 covering warrants; which is an increase of just 900 over the last year.

The payments were made on 27,510 authorized warrants, for the payment of which there were issued 30,752 drafts. In both of these two last items there is a falling off from last year.

The two preceding tables show : the first the cash on hand at the commencement of the fiscal year, and the various amounts that were received and covered into the treasury by warrants issued and entered upon the books of the office within the fiscal year, including repayments and counter warrants; and in the second there appear such amounts as were paid out on warrants, and also including like amounts transferred by counter warrants, and of payments that were repaid as are included in the first table; and the balance of cash on hand at the close of the fiscal year.

These payments and repayments, and transfers by counter warrants, of amounts equal to each other, in most cases representing the same money, help to swell the aggregate amounts of both sides of the ledger beyond the actual receipts and disbursements. Then, too, they may contain warrants issued within the current year, but the money which they represent may have been received in the preceding or the succeed-

ing fiscal year. The tables, therefore, do not show the precise amounts received or disbursed within the fiscal year commencing with July 1, 1868, and ending with June 30, 1869.

In other words, there are included in the items of "receipts," and also in those of "expenditures," in the foregoing statements of "payments" and "repayments," sums of money that had been paid out, and not having been used, in whole or in part, were returned by "covering warrants" into the treasury. So, too, moneys received from sales of stores, ships, munitions and materials of war, and of other property, no longer needed for the public service, have in like manner been covered into the treasury.

There have also been transferred from one appropriation to another, by "warrants and counter warrants," sums of moneys equal in amounts, in the detail and in the aggregate. All such moneys were technically carried out of, and replaced in, the treasury, and thus enter into both sides of the warrant ledger account, and appear therein both as "receipts" and "expenditures." If these transfers were always what they purport to be, there would be no difficulty in stating both the receipts and the expenditures correctly, by simply deducting the amounts of such warrants from both sides of the account. But it not unfrequently happens that real receipts and payments constitute parts of the same warrant with mere transfers; and there is no way to segregate the one from the other. This practice should, to a correct stating and understanding of the accounts, be reformed.

The foregoing amounts include counter warrants and repayments of moneys unexpended.

The counter warrants amount to.....	\$33, 719, 902 09
The amount returned from sales and unused money to.	15, 126, 001 32
Total as above .....	<u>48, 845, 903 41</u>

The counter warrants were issued on account of the—

Army.....	\$25, 459, 917 10
Navy.....	6, 385, 650 27
Interior.....	227, 581 99
Customs.....	714, 826 14
Foreign intercourse.....	546, 437 34
Treasury, proper .....	136, 457 06
Treasury, interior.....	35, 544 73
Quarterly salaries .....	1, 821 06
Internal revenue.....	207, 975 15
Public debt.....	3, 691 25
Total as above .....	<u>33, 719, 902 09</u>

With these corrections of deducting all expenditures that were returned into the treasury as above, from both sides of the book account, the receipts and payments would be, as then represented by the warrant ledger, as follows:

#### ACTUAL RECEIPTS.

(As per warrants, less counter warrants.)

On account of loans .....	\$247, 519, 755 76
On account of internal revenue.....	158, 086, 604 45
On account of miscellaneous sources.....	25, 204, 982 12

On account of direct tax .....	\$765, 685 61
On account of lands .....	4, 012, 313 54
On account of army .....	3, 279, 651 70
On account of navy .....	3, 434, 546 98
On account of treasury .....	1, 601, 379 70
On account of interior .....	818, 260 29
On account of customs, (in gold).....	180, 024, 649 44
<b>Total of all actual receipts .....</b>	<b>624, 747, 829 59</b>
Add payments and repayments.....	33, 719, 902 09
Register's certificates, money recovered from defaulters.....	6, 493 63
Balance held from last year .....	130, 834, 437 96
<b>Total.....</b>	<b>789, 308, 663 27</b>

## ACTUAL EXPENDITURES.

(As per warrants, less counter warrants.)

On account of public debt .....	\$403, 119, 624 61
On account of internal revenue.....	9, 018, 400 96
On account of war, (army branch).....	80, 474, 545 36
On account of war, (civil branch).....	1, 488, 759 08
On account of navy .....	23, 561, 082 77
On account of treasury .....	26, 171, 140 34
On account of treasury interior.....	4, 961, 408 10
On account of interior, proper.....	36, 316, 364 94
On account of diplomatic .....	741, 276 65
On account of quarterly salaries.....	500, 189 30
On account of customs.....	13, 551, 205 32
<b>Total of all actual payments.....</b>	<b>599, 903, 997 43</b>
Add payments and repayments.....	33, 719, 902 09
Unavailable, transferred to Register's books.....	4, 422 90
Cash balance in treasury.....	155, 680, 340 85
<b>Total.....</b>	<b>789, 308, 663 27</b>
<b>If the payments and repayments were stated as in former years, when the avails of sales of stores, equipage and war material were included, the statement would be.....</b>	
They are now for money returned only .....	\$48, 845, 903 41
	33, 719, 902 09
Showing a difference of.....	15, 126, 001 32
<b>Net receipts.....</b>	<b>\$609, 621, 828 27</b>
Register's certificate to Treasurer's debit.....	6, 493 63
<b>Total.....</b>	<b>609, 628, 321 90</b>
<b>Net expenditures, including transfers .....</b>	<b>\$584, 782, 419 01</b>
Increase of balance of cash in treasury .....	24, 845, 902 89
<b>Total.....</b>	<b>609, 628, 321 90</b>

Or—

Net amount of expenditures.....	\$584, 777, 996 11
Amount transferred from Register.....	4, 422 90
Total.....	<u>584, 782, 419 01</u>
Net receipts, including Register's certificates.....	\$609, 628, 321 90
Increase of cash balance deducted.....	24, 845, 902 89
Total.....	<u>584, 782, 419 01</u>

The actual receipts during the year ending June 30, 1869, as per ledger, were—

*Cash Dr.*

Cash ledger balance June 30, 1868.....	\$136, 299, 430 32
Customs, (in gold).....	\$180, 040, 410 00
Six per cent. five-twenty bonds....	39, 232, 750 00
Six per cent. twenty years' bonds..	25, 350 00
Internal revenue.....	158, 411, 699 22
Premium, chiefly from sales of coin..	12, 926, 136 45
Interest.....	289, 998 43
Duty paid by national banks.....	\$5, 907, 993 47
Miscellaneous receipts.....	156, 899 11
Coin certificates.....	81, 226, 620 00
Fractional currency.....	23, 709, 131 65
New issue of United States notes..	57, 947, 521 80
Temporary loan.....	36, 205, 000 00
War and navy.....	7, 672, 168 24
Public lands.....	3, 934, 521 18
Miscellaneous revenue.....	2, 782, 851 45
Captured and abandoned property..	27, 558 99
Confiscations.....	5, 404 06
Conscience money.....	17, 299 21
Fines.....	803, 166 81
Indian trusts.....	1, 637, 992 86
Interior Department.....	150, 108 77
Internal and coastwise intercourse..	12, 326 79
Prize captures.....	137, 629 46
Patent fees.....	666, 703 34
Real estate tax.....	22, 832 77
Repayments.....	9, 010, 915 94
Total receipts.....	<u>622, 960, 990 00</u>
Total.....	<u>759, 260, 420 32</u>

The actual disbursements during the year ending June 30, 1869, as per ledger, were—

*Cash Cr.*

Public debt.....	\$403, 119, 624 61
Internal revenue.....	9, 018, 400 96
Army, military branch.....	80, 474, 545 36
Army, civil branch.....	1, 488, 759 08
Navy.....	23, 561, 082 77

Interior.....	\$36,316,364 94
Customs.....	13,551,205 32
Diplomatic.....	741,276 65
Treasury, proper.....	26,171,140 34
Treasury, interior.....	4,961,408 10
Quarterly salaries.....	500,189 30
<b>Total amount of drafts issued.....</b>	<b>599,903,997 43</b>
<b>Amount transferred to Register's books.....</b>	<b>4,422 90</b>
<b>Balance cash in treasury.....</b>	<b>159,351,999 99</b>
<b>Total.....</b>	<b>759,260,420 32</b>

The cash balance, struck after all the cash accounts had been received from the various offices of the treasury, was—

*Cash Dr.*

Ledger balance June 30, 1868.....	\$136,299,430 32
Actual receipts in the year.....	622,960,990 00
<b>Total.....</b>	<b>759,260,420 32</b>

*Cash Cr.*

Amount paid out on drafts.....	\$599,903,997 43
Transferred to the books of the Register.....	4,422 90
Cash balance in treasury.....	159,351,999 99
<b>Total.....</b>	<b>759,260,420 32</b>

Everything in this world is comparative. No argument is so strong as that addressed to the eye. To give in this way a correct idea of the receipts and the expenditures of the government for the last nine years separately, and as compared with each other, the following tables are produced:

RECEIPTS BY WARRANTS.

These receipts, excluding all warrants that were issued for repayments, were—

In the year 1861.....	\$83,206,693 56
In the year 1862.....	581,628,181 26
In the year 1863.....	888,082,128 05
In the year 1864.....	1,389,466,963 41
In the year 1865.....	1,801,792,627 51
In the year 1866.....	1,270,884,173 11
In the year 1867.....	1,131,060,920 56
In the year 1868.....	1,030,749,516 52
In the year 1869.....	609,621,828 27
<b>Total receipts in nine years.....</b>	<b>8,786,493,032 25</b>

## EXPENDITURES BY WARRANTS.

These expenditures, excluding all warrants that were issued for payments and afterwards repaid, were—

In the year 1861.....	\$84,578,834 47
In the year 1862.....	570,841,700 25
In the year 1863.....	895,796,630 65
In the year 1864.....	1,298,056,101 89
In the year 1865.....	1,897,674,224 09
In the year 1866.....	1,141,072,666 09
In the year 1867.....	1,093,079,655 27
In the year 1868.....	1,069,889,970 74
In the year 1869.....	584,777,996 11
Total expenditures in nine years.....	<u>8,635,767,779 56</u>

In 1865 I stated that these tables "would not be unaptly represented by a truncated pyramid;" and I then ventured the opinion that for the next five years they would "be represented by such a pyramid, with its base turned upward." The comparison, as above, fully justifies the prediction.

Here is a decrease in the gross amount of expenditures in this, as compared with the last fiscal year, of \$485,111,974 63. This is, however, nearly all apparent and not real. The aggregate of receipts, and also of expenditures, is largely increased by the fact that the amounts of the redemption of the old worn out legal-tender notes and fractional currency, and the issue of new notes in their stead, enter into these statements in all the foregoing tables. And from the further fact, that the short matured securities are, under existing laws, convertible into the permanent stocks of the United States; and on such conversion also enter into such statements. So, too, the issue and reissue of gold certificates, and of the three per cent. certificates enter into these tables. All these transactions are at least constructive receipts and disbursements, and must necessarily enter into all the book accounts of the office.

These transactions for the last two years, compared, stand as follows:

	Loan contracted.	Public debt paid.
Year 1868.....	\$625,111,433 20	\$848,445,848 57
Year 1869.....	247,519,755 76	403,123,315 86
Decrease.....	<u>377,591,677 44</u>	<u>445,322,532 71</u>

The business of the treasury, like the receipts and the expenditures, has fallen off within the year nearly one-half, and has gone back to about what it was in 1862, the second year of the rebellion. The following table exhibits the total amount of money entries, as they appear on the books of the treasury, in each of the years from 1861 to 1869, both inclusive, and the aggregate amount of such money entries for the entire nine years:

In the year 1861.....	\$231,458,546 07
In the year 1862.....	2,294,674,642 09
In the year 1863.....	4,945,434,289 56



In the year 1864.....	\$7 332,385,024 16
In the year 1865.....	9,117,855,012 58
In the year 1866.....	6,403,203,990 72
In the year 1867.....	5,930,467,941 90
In the year 1868.....	5,522,361,160 05
In the year 1869.....	2,269,826,581 07

Total amount for the nine years..... 44,047,667,188 20

*Comparative statement of receipts and expenditures, on authorized warrants, for the fiscal years ending with June 30, 1868 and 1869.*

## RECEIPTS.

	1868.	1869.
On account of balance brought forward.....	\$170,868,814 40	\$130,834,437 96
On account of loans.....	625,111,433 20	247,519,755 76
On account of internal revenue.....	191,087,589 41	156,356,460 86
On account of customs.....	164,464,599 56	180,048,426 63
On account of miscellaneous.....	58,051,215 58	30,119,895 08
On account of War Department.....	24,268,876 34	27,432,471 85
On account of Navy Department.....	9,228,110 99	9,945,975 07
On account of Interior Department.....	1,783,506 40	1,024,402 09
On account of public lands.....	1,348,715 41	4,020,344 34
Transferred to Register's books.....		6,493 63
<b>Totals.....</b>	<b>1,246,192,861 29</b>	<b>789,308,663 27</b>

## Decrease in receipts:

Loans.....	\$377,591,677 44
Internal revenue.....	32,731,128 55
Interior Department.....	759,104 31
Civil, diplomatic, &c.....	27,931,320 50
Cash on hand.....	40,034,376 44

Total decrease in receipts..... 479,047,607 24

## Increase in receipts:

Customs.....	\$15,583,827 07
War Department.....	3,163,595 51
Navy Department.....	737,864 08
Transferred to Register's books.....	6,493 63
Public lands.....	2,671,628 93

Total increase in receipts..... 22,163,409 22

Total..... 456,884,198 02

Decrease in receipts..... \$479,047,607 24

Increase in expenditures..... 35,056,277 86

Total falling off..... 514,103,885 10

Increase in receipts..... \$22,163,409 22

Decrease of expenditures..... 491,940,475 88

Total falling off..... 514,103,885 10

## EXPENDITURES.

	1868.	1869.
On account of public debt.....	\$848,445,848 57	\$403,123,315 86
On account of War Department.....	147,515,524 96	105,934,462 46
On account of Navy Department.....	34,983,613 71	29,946,733 04
On account of Interior Department.....	29,028,802 22	36,543,946 93
On account of civil and diplomatic.....	54,784,633 87	58,079,864 13
On account of balance in treasury.....	130,834,437 96	155,680,340 85
Totals.....	1,240,192,861 29	789,308,663 27

## Decrease in expenditures:

Public debt.....	\$445,322,532 71
War Department.....	41,581,062 50
Navy Department.....	5,036,880 67

Total decrease in expenditures..... 491,940,475 88

## Increase in expenditures:

Interior Department.....	\$6,915,144 71
Civil, diplomatic, &c.....	3,295,230 26
Balance of cash, less.....	24,845,902 89

Total increase in expenditures..... 35,056,277 86

Total..... 456,884,198 02

*Comparative statements of expenditures for the five years, each ending with the 30th of June, from 1865 to 1869, both inclusive.*

Year.	Civil, diplomatic, &c.	Interior.	Army.	Navy.
1865.....	\$40,346,543 63	\$21,653,368 02	\$1,037,483,885 36	\$130,400,213 98
1866.....	42,420,820 72	20,212,094 85	312,449,877 38	62,467,372 22
1867.....	52,098,021 58	27,545,247 16	117,700,980 16	43,311,213 60
1868.....	52,705,432 45	28,697,843 00	128,906,351 43	30,230,262 50
1869.....	56,432,379 75	36,316,364 94	80,474,545 36	23,561,082 77

In the years 1868 and 1869 "repayments" are deducted from both army and navy.

The items of "Treasury interior," and that of "War, civil branch," appear in the above tables in the aggregates of the "civil, diplomatic," &c., expenditures. In the year ending with June 30, 1869, the former amounted to \$4,961,408 10, and the latter to \$1,488,759 08. These items properly belong to the "interior" and the "army."

*Comparative statement of the receipts by warrants, less counter warrants, in the fiscal years ending with June 30, 1868, and with June 30, 1869.*

## War:

1868.....	\$5,659,702 81
1869.....	3,279,651 70

Falling off in receipts..... 2,380,051 11

## Navy:

1868 .....	\$4,454,759 78
1869 .....	3,434,546 98

Falling off in receipts .....	\$1,020,212 80
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## All other receipts, except from loans and customs:

1868 .....	250,192,561 66
1869 .....	190,489,225 71

Falling off in receipts .....	59,703,335 95
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Falling off in currency receipts .....	63,103,599 86
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## Customs in gold:

1869 .....	180,024,649 44
1868 .....	164,464,599 56

Increase in gold receipts .....	15,560,049 88
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Total falling off in receipts in the year .....	47,543,549 98
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*Comparative statement of the expenditures by warrants, less counter warrants, in the fiscal years ending with June 30, 1868, and with June 30, 1869.*

## Army:

1868 .....	\$128,906,351 43
1869 .....	80,474,545 36

Reduction of military expenses .....	48,431,806 07
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## Navy:

1868 .....	\$30,230,262 50
1869 .....	23,561,082 77

Reduction of naval expenses .....	6,669,179 73
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Total reduction in the expenses of the army and navy .....	55,100,985 80
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## All other expenditures, except for the public debt:

1869 .....	92,748,744 69
1868 .....	81,441,048 73

Increase of miscellaneous expenses .....	11,307,695 96
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Total reduction of expenditures in 1869 over the year 1868 .....	43,793,289 84
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*Statement of receipts for the six months commencing with April and ending with September in the year 1868, as compared with the same time in the year 1869.*

<b>Customs:</b>		
1869 .....	\$96,157,522	20
1868 .....	92,965,797	93
Increase of customs receipts .....		3,191,724 27
<b>Miscellaneous:</b>		
1869 .....	\$102,538,471	18
1868 .....	86,949,895	54
Increase of miscellaneous receipts .....		15,588,575 64
<b>Army:</b>		
1869 .....	2,574,004	12
1868 .....	1,518,651	71
Increase of military receipts .....		1,055,352 41
Increase in customs, miscellaneous, and army receipts .....		19,835,652 32
<b>Navy:</b>		
1868 .....	\$1,601,504	63
1869 .....	999,805	32
Decrease in navy receipts .....		601,699 31
Total increase of receipts in the six months in 1869 over those for the same time in 1868 ....		19,233,953 01

#### MILITARY EXPENDITURES.

The payments for and on account of the army, less repayments, in each year, for the ten years from 1860 to 1869, both inclusive, were in the years, and for the amounts, as follows:

In 1860 .....	\$16,409,737	10
1861 .....	22,981,150	44
1862 .....	394,368,407	36
1863 .....	599,298,600	83
1864 .....	690,791,842	97
1865 .....	1,031,323,360	79
1866 .....	284,449,701	82
1867 .....	95,224,415	63
1868 .....	128,906,351	43
1869 .....	80,474,545	36
War expenses for ten years .....		3,344,228,113 73

## NAVAL EXPENDITURES.

The payments for and on account of the navy for the ten years from 1860 to 1869, both inclusive, less the repayments, were for the years, and for the amounts, as follows:

In 1860 .....	\$11,514,964 96
1861 .....	12,420,887 89
1862 .....	42,668,277 09
1863 .....	63,221,963 64
1864 .....	85,725,994 67
1865 .....	122,612,945 29
1866 .....	43,324,118 52
1867 .....	31,034,011 04
1868 .....	30,230,262 50
1869 .....	23,561,082 77
Navy expenses for the ten years.....	<u>466,314,508 37</u>

*Statement of expenditures for the six months commencing with April and ending with September, in the year 1868, as compared with the same time in the year 1869.*

Army:	
1868 .....	\$61,420,888 99
1869 .....	29,326,651 68
Decrease in military expenditures.....	<u>32,094,237 31</u>
Navy:	
1868 .....	\$13,519,878 84
1869 .....	11,673,971 86
Decrease in naval expenditures.....	<u>1,845,906 98</u>
Miscellaneous:	
1868 .....	\$44,074,101 62
1869 .....	40,390,945 02
Decrease in miscellaneous expenditures.....	<u>3,683,156 60</u>
Decrease in army, navy, and miscellaneous expenditures.....	<u>37,623,300 89</u>
Customs:	
1869 .....	\$7,937,056 03
1868 .....	7,114,769 73
Increase of customs expenditures.....	<u>822,286 30</u>
Total decrease of expenditures in the six months in 1869 below those of 1868.....	<u>36,801,014 59</u>

In the foregoing tables the receipts from, and the expenditures on account of, "Internal revenue" are included under the head of "Miscellaneous." As very nearly as large an amount was gained by the more thorough collection of the revenue as was gained from all the items of

miscellaneous combined, with internal revenue included—and that, too, at much less expense than was incurred for the same term in the preceding year—it is but just to the efficient officer at the head of the bureau that the account should be stated separately.

The results do not reflect upon the late Commissioner of Internal Revenue, who is known as a very competent officer, and as an honest man as lives. He did all that any man, under the circumstances, could do. He was embarrassed at every step, and thwarted by the antagonism of the late Executive to the legislative power of the United States. Good officers were frequently removed, and others were appointed in their stead, against the remonstrance of the late commissioner, by the late President, who refused to remove such as were officially reported to him as being incompetent and unfit, and to appoint others in their stead.

The receipts from internal revenue, and the expenditures on account of the same, for the six months preceding the first day of October, in each of the years 1868 and 1869, were as follows:

Receipts:	
In 1869.....	\$104,645,357 67
In 1868.....	89,137,026 08
Increase of receipts.....	15,508,331 59
Expenditures:	
In 1868.....	5,149,629 79
In 1869.....	4,350,243 87
Decrease of expenditures.....	799,385 92
Total gain in the last six months over the corresponding six months of the preceding year.....	16,307,717 51

#### MILITARY AND NAVAL PENSIONS.

*Statements of pensions paid to soldiers and sailors for the seven years from 1863 to 1869, both years inclusive.*

Army pensions:	
1863.....	\$932,886 29
1864.....	4,902,651 01
1865.....	9,191,187 02
1866.....	13,483,665 19
1867.....	19,448,088 69
1868.....	23,987,469 14
1869.....	28,623,650 47
Naval pensions:	
1863.....	\$185,188 36
1864.....	184,755 04
1865.....	7,222,424 59
1866.....	3,371,058 33
1867.....	3,328,795 46
1868.....	890,828 69
1869.....	535,991 34

Fourteen million dollars from the above amounts, for the years 1865 to 1869, was placed to "Naval pension fund."

*Statement showing the amounts of balances and overdrafts standing to the credit and debit of the Treasurer of the United States, at this office and the various offices of assistant treasurers, designated depositaries, and of national banks, designated as such depositaries, on June 30, 1869.*

Treasurer, Washington.....	\$15,677,566 86	
Assistant treasurer, New York.....	91,959,346 44	
Assistant treasurer, Philadelphia.....	6,091,102 97	
Assistant treasurer, Boston.....	7,789,201 92	
Assistant treasurer, St. Louis.....	1,590,688 32	
Assistant treasurer, San Francisco...	6,112,023 29	
Assistant treasurer, Charleston.....	259,623 52	
Assistant treasurer, New Orleans.....	2,156,477 86	
Assistant treasurer, Denver City.....		\$373 25
Depositary, Baltimore.....	1,861,346 42	
Depositary, Cincinnati.....	3,529,388 02	
Depositary, Chicago.....	3,215,401 73	
Depositary, Louisville.....	1,055,232 51	
Depositary, Buffalo.....	566,485 29	
Depositary, Pittsburg.....	1,134,024 97	
Depositary, Omaha.....	18 99	
Depositary, Olympia.....	11,878 73	
Depositary, Oregon City.....		929 93
Depositary, St. Paul.....		74 86
Depositary, Mobile.....	155,247 14	
Depositary, Santa Fé.....	31,941 37	
National banks.....	8,815,413 85	
United States mints.....	6,245,217 19	
Suspense account.....	1,002,814 28	
Balance as per ledger.....		159,259,063 63
<b>Total.....</b>	<b>159,260,441 67</b>	<b>159,260,441 67</b>
<hr/>		
This balance consists of, gold and silver.....	\$113,955,765 68	
Other lawful money.....	45,303,297 95	
<b>Total cash.....</b>	<b>159,259,063 63</b>	
Deduct cash not covered in by warrants.....	3,578,722 78	
<b>Balance as per warrant ledger—see “cash credit”.....</b>	<b>155,680,340 85</b>	

*Statement showing the amounts of balances and overdrafts standing to the credit and debit of the Treasurer of the United States in all the offices constituting the treasury of the United States, but which were not all posted June 30, 1869.*

Treasurer, Washington.....	\$15,677,566 86
Assistant treasurer, New York.....	91,959,346 44
Assistant treasurer, Philadelphia.....	6,091,102 97
Assistant treasurer, Boston.....	7,789,201 92
Assistant treasurer, St. Louis.....	1,590,688 32
Assistant treasurer, San Francisco...	6,112,023 29
Assistant treasurer, Charleston.....	259,623 52
Assistant treasurer, New Orleans... ..	2,156,477 86

Assistant treasurer, Denver.....		\$373 25
Depository, Baltimore.....	1,861,346 42	
Depository, Cincinnati.....	3,529,388 02	
Depository, Chicago.....	3,215,401 73	
Depository, Louisville.....	1,055,232 51	
Depository, Buffalo.....	566,485 25	
Depository, Pittsburg.....	1,134,024 97	
Depository, Omaha.....	18 99	
Depository, Olympia.....	28,147 91	
Depository, Oregon City.....		929 93
Depository, St. Paul.....		74 86
Depository, Mobile.....	155,247 14	
Depository, Santa Fé.....	48,728 61	
United States mints.....	6,245,217 19	
National bank depositaries.....	8,875,296 79	
Suspense account.....	1,002,814 28	
True balance, all items posted.....		159,352,002 99
Total.....	159,353,381 03	159,353,381 03
This balance consists of, gold and silver.....		\$113,955,765 68
Other lawful money.....		45,396,237 31
Total cash on hand.....		159,352,002 99
Deduct cash uncovered by warrants.....		3,671,662 14
Balance as per warrant ledger—see “cash credit”.....		155,680,340 85
<i>Balances standing to the credit of disbursing officers of the United States.</i>		
Treasurer of the United States.....		\$2,305,708 30
Assistant treasurer at Boston.....	\$531,289 34	
Assistant treasurer at New York.....	5,577,130 94	
Assistant treasurer at Philadelphia...	460,046 15	
Assistant treasurer at St. Louis.....	1,314,352 93	
Assistant treasurer at Charleston....	233,033 99	
Assistant treasurer at New Orleans...	677,700 69	
Assistant treasurer at San Francisco...	2,177,063 35	
Assistant treasurer at Denver.....	689 31	
		10,971,306 70
United States depository at Buffalo...	33,438 41	
United States depository at Baltimore..	172,818 37	
United States depository at Chicago...	814,948 12	
United States depository at Cincinnati.	219,009 83	
United States depository at Louisville..	389,322 21	
United States depository at Pittsburg..	57,965 19	
United States depository at Mobile....	24,534 49	
U. States depository at Oregon City...	1,340 57	
United States depository at Santa Fé...	310,240 76	
United States depository at Olympia...	1,388 34	
		2,025,006 29
In 66 national bank depositaries.....		2,971,974 45
Total amount, in all the offices, to the credit of United States disbursing officers.....		18,273,995 74



## PAYMENTS BY CHECKS ON OTHER OFFICES.

There were drawn during the year transfer checks on the offices of the assistant treasurers of the kinds and numbers and for the amounts as follows:

## Currency checks:

48,947 on New York for.....	\$41,543,421 99	
4,498 on Boston for.....	2,642,144 83	
3,914 on Philadelphia for.....	2,396,660 09	
582 on New Orleans for.....	952,865 71	
108 on San Francisco for.....	1,331,763 33	
<hr/>		
58,049 total number currency checks, amounting to..		\$48,866,855 95

## Coin checks:

1,293 on New York for.....	\$9,928,751 62	
123 on Boston for.....	36,410 08	
545 on Philadelphia for.....	63,377 98	
4 on New Orleans for.....	481,041 90	
10 on San Francisco for.....	1,014 50	
<hr/>		
1,975 total number of coin checks, amounting to.....		10,510,596 08
<hr/>		
60,024 checks. Total of currency and coin.....		59,377,452 03
<hr/>		

## TRANSFER OF FUNDS.

To facilitate payments at points where the moneys were needed for disbursements, transfer letters, transfer orders, and bills of exchange were issued, during the fiscal year, in number, in kind, and for the amounts as follows:

4,267 letters on national bank depositaries.....	\$89,335,470 82	
1,251 transfer orders on national bank depositaries....	15,371,266 61	
19 bills of exchange on national bank depositaries..	166,595 83	
20 bills of exchange on collectors of customs.....	80,000 00	
715 transfer orders on assistant treasurers and designated depositaries.....	124,716,636 51	
<hr/>		
6,272 transfers. Total amount transferred.....	229,669,969 77	
<hr/>		
Of which amount there was in coin.....	\$27,994,000 00	
And in currency.....	201,675,969 77	
<hr/>		
Total amount transferred as above.....	229,669,969 77	
<hr/>		

## OPEN ACCOUNTS.

With assistant treasurers.....	9
With designated depositaries.....	10
With United States mints.....	4
With national bank depositaries.....	158
13 Ab	

With disbursing officers.....	155
With impersonals.....	57
<b>Total open accounts.....</b>	<b>393</b>

## OUTSTANDING LIABILITIES.

There has been covered into the treasury to the account of "Outstanding liabilities," to the proper appropriations, and for credit of the persons who may prove themselves entitled to receive the same, in pursuance of the act entitled "An act to facilitate the settlement of the accounts of the Treasurer of the United States," passed May 2, 1866, at various times and in various amounts, as follows:

Up to and including June 30, 1868 .....	\$173,042 95
In fiscal year ending with June 30, 1869.....	15,652 86
<b>Total amount so covered in.....</b>	<b>188,695 81</b>

There has been paid to various parties entitled to receive the same, up to and including June 30, 1869.....	\$25,316 32
Unclaimed balance remaining in the treasury.....	163,379 49
<b>Total amount as above.....</b>	<b>188,695 81</b>

## SPECIMEN FRACTIONAL CURRENCY.

There has been received from the sale of the various kinds of fractional currency, with the faces and backs printed on separate pieces of paper, and mostly pasted on cards, as follows:

Up to and including June 30, 1868.....	\$20,317 05
During the fiscal year closing with June 30, 1869 .....	2,470 00
<b>Total amount sold.....</b>	<b>22,787 05</b>

All was sold at its full face value, and with the understanding that it will not be redeemed. The suggestion made in regard to the conscience fund is applicable to this fund. That is, that it be transferred to the sinking fund.

## EXCHANGE.

There has been received, since a separate account has been kept, prior to July 1, 1868.....	\$90,558 69
In fiscal year closing with June 30, 1869 .....	19,187 15
<b>Amount collected, without law, and that might properly go to the sinking fund.....</b>	<b>109,745 84</b>

## CONSCIENCE FUND.

Previous to December, 1863, no separate account was kept of money that had been wrongfully taken or retained from the United States, and which was afterwards returned to the treasury, by persons who were prompted by the monitions of an uneasy conscience to make restitution therefor to the government.

Since that time there was received from various persons, mostly anonymously, and in amounts from one cent up-

ward, up to and including June 30, 1868.....	\$96,692 60
And during the fiscal year ending with June 30, 1869....	17,299 21

Total amount so received since November 30, 1863...	<u>113,991 81</u>
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As the wrongfully taking or withholding of these moneys augmented the present public debt to the amounts so taken or withheld, it is suggested that the above amount of \$113,991 81, and all other amounts as have heretofore been or may hereafter be received in restitution, be withdrawn from the treasury, and be invested in United States stock for and on account of the sinking fund.

## OFFICIAL CORRESPONDENCE.

The necessary correspondence pertaining to the office continues to be very large.

There were received during the fiscal year through the mails one hundred and two thousand nine hundred and seventy-eight official letters. Of this number twenty-eight thousand five hundred and eighteen contained money. There were received by express in the redemption division seventeen thousand seven hundred and eight, and in the cash division three thousand five hundred and fifty-eight money packages. There were sent by mail sixty-six thousand eight hundred and seventeen letters, of which copies were kept. Of these, six thousand four hundred and twenty-eight were entirely in manuscript, and the remainder were partially written and in part printed. Many of these contained money or checks. Copies of all are kept in bound books.

Twenty-five thousand seven hundred and fifty-two drafts, payable to order of the payee, were mailed without any other inclosure. There were sent by express twenty-one thousand and twelve money packages.

The account stated stands as follows:

Received by express, containing money, in cash division.....	3,558
Received by express, containing money, in redemption division..	17,708
Received by mail, containing money, in both divisions.....	28,518
Received by mail, containing no money .....	<u>74,460</u>

Total number of letters and money packages received..	<u>124,244</u>
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Transmitted by express, money packages.....	21,012
Transmitted by mail, drafts payable to order .....	25,752
Transmitted by mail, manuscript letters.....	6,428
Transmitted by mail, printed forms filled in.....	<u>60,389</u>

Total amount of letters and money packages transmitted.	<u>113,581</u>
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## UNAVAILABLE FUNDS.

Branch mint at Charlotte, North Carolina.....	\$32,000 00
Branch mint at Dahlonega, Georgia .....	27,950 03
Assistant treasurer at Charleston, South Carolina .....	2,053 41
Designated depositary at Galveston, Texas.....	778 66
	<hr/>
Amount of coin withheld .....	62,782 10
Assistant treasurer, San Francisco, (lost at sea) .....	\$1,000,000 00
Assistant treasurer, New Orleans, (Whitaker's deficit) .....	959,286 15
Designated depositary, Louisville, (stolen) ..	9,000 00
Designated depositary, Louisville, (Bloomgart's) .....	11,083 52
First National Bank, at Selma, Alabama....	59,978 07
Venango National Bank, at Franklin, Pennsylvania.....	217,391 38
	<hr/>
Amount of currency withheld .....	2,256,739 12
	<hr/>
Total amount suspended and unavailable .....	2,319,521 22
	<hr/> <hr/>

There was transferred to the books of the Register, during the fiscal year, on account of the depositary at Mobile, a coin balance of.....	\$3 00
And there was credited to G. W. Lane, assistant treasurer at Denver, in accordance with joint resolution of Congress passed February 4, 1869.....	4,419 90
	<hr/>
	4,422 90
	<hr/> <hr/>

## TRUST FUNDS.

There remain in the custody of the Treasurer, held by the Secretary of the Treasury in trust for the Smithsonian fund, six per cent. stocks of the State of Arkansas that matured in 1868, amounting at their par face value, interest excluded, to.....	\$538,000
There have been left in the custody of the Treasurer as special deposits, within the fiscal year, as security that certain railroads, hereinafter mentioned, would be completed and equipped according to the requirements of the government, and as a condition precedent to the issue of the remaining portion of the government bonds, subsidies as follows, viz:	
First mortgage coupon bonds of the Union Pacific Railroad Company.....	1,600,000
First mortgage coupon bonds of the Central Pacific Railroad Company of California.....	4,000,000
	<hr/>
Total trust funds held.....	6,138,000
	<hr/> <hr/>

The above is exclusive of special deposits received and held in sealed packages, the contents of which are, and their value is, unknown; and of deposits of United States stocks, held in trust as custodian for the sinking fund; and of other United States stocks purchased by the Secretary of the Treasury, and held subject to the disposal of Congress, the kinds and amounts of which are stated elsewhere in this report.

## SINKING FUND.

There were purchased for, and on account of, the sinking fund, after the 11th day of May, and before the 1st day of July, 1869, stocks of the United States, of the loans and amounts, and on which premiums were paid on each kind and amount, as follows:

Loans.	Principal.	Premium.	Totals.
February 25, 1862.....	\$1,620,000 00	\$254,574 15	\$1,874,574 15
March 3, 1864.....	70,000 00	11,725 00	81,725 00
June 30, 1864.....	1,051,000 00	163,344 50	1,214,344 50
March 3, 1865.....	465,000 00	74,969 00	539,969 00
Consols of 1865.....	401,000 00	73,430 00	474,430 00
Consols of 1867.....	4,718,000 00	748,803 10	5,466,803 10
Consols of 1868.....	305,000 00	49,442 50	354,442 50
<b>Totals.....</b>	<b>8,090,000 00</b>	<b>1,376,488 25</b>	<b>10,066,488 25</b>
There was paid in gold for the accrued interest on the above purchases.....		\$130,392 56	
Deduct amount of gold interest received.....		992 07	
			135,400 49
<b>Total amount paid on the above up to July 1, 1869.....</b>			<b>10,201,888 74</b>
Principal as above stated.....			\$8,090,000 00
Bond donated by William P. Peters.....			1,000 00
<b>Total amount principal in sinking fund at close of fiscal year.....</b>			<b>8,691,000 00</b>

*Statement of six per cent. five-twenty United States bonds, purchased for the sinking fund between May 11 and November 1, 1869.*

Loans.	Principal.	Premium.	Total cost.
February 25, 1862.....	\$2,740,500 00	\$470,728 75	\$3,211,228 75
March 3, 1864.....	137,000 00	25,180 50	162,180 50
June 30, 1864.....	2,025,700 00	337,140 80	2,362,840 80
March 3, 1865.....	1,041,050 00	182,801 77	1,223,851 77
Consols of 1865.....	3,713,300 00	642,108 51	4,355,408 51
Consols of 1867.....	7,670,950 00	1,274,646 14	8,945,596 14
Consols of 1868.....	516,000 00	86,736 40	602,736 40
<b>Totals.....</b>	<b>17,844,500 00</b>	<b>3,019,340 87</b>	<b>20,863,840 87</b>
Paid in gold for accrued interest.....		\$249,210 50	
Received in gold for accrued interest.....		1,150 86	
<b>Balance of accrued interest paid in coin.....</b>			<b>248,059 64</b>
<b>Total amount paid out on account of the sinking fund.....</b>			<b>21,111,900 51</b>

There is included in the above first stated amount a bond for \$1,000, donated to the United States by William P. Peters; and \$153,500 in bonds purchased with proceeds of \$139,740 semi-annual interest on stocks held as custodian of the sinking fund.

*Sinking fund statement, by loans, number of bonds, denominations and amounts of United States registered stocks, held by the Treasurer, as custodian, in trust for the Secretary of the Treasury, on the first day of November, 1869.*

Loans.	No. of bonds and denominations.	Amounts.	Totals.
February 25, 1862.....	1 of ..... \$500 .....	\$500	2, 740, 500
February 25, 1862.....	15 of ..... 1, 000 .....	15, 000	
February 25, 1862.....	7 of ..... 5, 000 .....	35, 000	
February 25, 1862.....	269 of ..... 10, 000 .....	2, 690, 000	
March 3, 1864.....	2 of ..... 1, 000 .....	2, 000	137, 000
March 3, 1864.....	27 of ..... 5, 000 .....	135, 000	
June 30, 1864.....	2 of ..... 100 .....	200	2, 025, 700
June 30, 1864.....	1 of ..... 500 .....	500	
June 30, 1864.....	15 of ..... 1, 000 .....	15, 000	
June 30, 1864.....	10 of ..... 5, 000 .....	50, 000	
June 30, 1864.....	196 of ..... 10, 000 .....	1, 960, 000	
March 3, 1865.....	1 of ..... 50 .....	50	
March 3, 1865.....	6 of ..... 1, 000 .....	6, 000	1, 041, 050
March 3, 1865.....	3 of ..... 5, 000 .....	15, 000	
March 3, 1865.....	102 of ..... 10, 000 .....	1, 020, 000	
Consols of 1865.....	3 of ..... 100 .....	300	
Consols of 1865.....	2 of ..... 500 .....	1, 000	3, 713, 300
Consols of 1865.....	17 of ..... 1, 000 .....	17, 000	
Consols of 1865.....	5 of ..... 5, 000 .....	25, 000	
Consols of 1865.....	367 of ..... 10, 000 .....	3, 670, 000	
Consols of 1867.....	1 of ..... 50 .....	50	
Consols of 1867.....	4 of ..... 100 .....	400	
Consols of 1867.....	1 of ..... 500 .....	500	7, 670, 950
Consols of 1867.....	25 of ..... 1, 000 .....	25, 000	
Consols of 1867.....	7 of ..... 5, 000 .....	35, 000	
Consols of 1867.....	761 of ..... 10, 000 .....	7, 610, 000	
Consols of 1868.....	2 of ..... 500 .....	1, 000	
Consols of 1868.....	15 of ..... 1, 000 .....	15, 000	
Consols of 1868.....	4 of ..... 5, 000 .....	20, 000	516, 000
Consols of 1868.....	48 of ..... 10, 000 .....	480, 000	
Total amount held for the sinking fund, November 1, 1869 .....			17, 844, 500

*Statement of six per cent. five-twenty United States bonds purchased and held specially subject to the disposition of Congress during the months of July, August, September, and October, in the year 1869.*

Loans.	Principal.	Premium.	Total cost.
February 25, 1862.....	\$3, 990, 700	\$755, 097 13	\$4, 745, 797 13
March 3, 1864.....	569, 400	113, 570 80	682, 970 80
June 30, 1864.....	5, 718, 800	1, 063, 480 39	6, 802, 280 39
March 3, 1865.....	2, 962, 550	561, 256 61	3, 523, 806 61
Consols of 1865.....	16, 360, 450	2, 981, 428 38	19, 341, 878 38
Consols of 1867.....	13, 955, 600	2, 390, 995 65	16, 346, 595 65
Consols of 1868.....	1, 442, 500	283, 376 79	1, 725, 876 79
Totals.....	45, 000, 000	8, 169, 205 75	53, 169, 205 75
Paid for accrued interest in gold.....		\$544, 274 02	
Received for accrued interest in gold.....		270 50	
Balance of accrued interest paid in coin.....			543, 303 52
Total amount paid out on account of this trust fund.....			53, 712, 509 27

*Statement by loans, number of bonds, denominations, and amounts of United States registered stocks held by the Treasurer, as custodian in trust for the Secretary of the Treasury, subject to the disposition thereof by Congress, November 1, 1869.*

Loans.	Number of bonds and denominations.		Amounts.	Totals.
February 25, 1862.....	2 of .....	\$50.....	\$100.....	\$3,990,700
February 25, 1862.....	16 of .....	100.....	1,600.....	
February 25, 1862.....	6 of .....	500.....	3,000.....	
February 25, 1862.....	31 of .....	1,000.....	31,000.....	
February 25, 1862.....	11 of .....	5,000.....	55,000.....	
February 25, 1862.....	390 of .....	10,000.....	3,900,000.....	569,400
March 3, 1864.....	4 of .....	100.....	400.....	
March 3, 1864.....	4 of .....	1,000.....	4,000.....	
March 3, 1864.....	113 of .....	5,000.....	565,000.....	5,718,800
June 30, 1864.....	4 of .....	50.....	200.....	
June 30, 1864.....	16 of .....	100.....	1,600.....	
June 30, 1864.....	6 of .....	500.....	3,000.....	
June 30, 1864.....	34 of .....	1,000.....	34,000.....	
June 30, 1864.....	16 of .....	5,000.....	80,000.....	2,962,550
June 30, 1864.....	560 of .....	10,000.....	5,600,000.....	
March 3, 1865.....	1 of .....	50.....	50.....	
March 3, 1865.....	15 of .....	100.....	1,500.....	
March 3, 1865.....	4 of .....	500.....	2,000.....	
March 3, 1865.....	39 of .....	1,000.....	39,000.....	16,390,450
March 3, 1865.....	10 of .....	5,000.....	50,000.....	
March 3, 1865.....	287 of .....	10,000.....	2,870,000.....	
Consols of 1865.....	3 of .....	50.....	150.....	
Consols of 1865.....	13 of .....	100.....	1,300.....	
Consols of 1865.....	6 of .....	500.....	3,000.....	13,955,600
Consols of 1865.....	36 of .....	1,000.....	36,000.....	
Consols of 1865.....	8 of .....	5,000.....	40,000.....	
Consols of 1865.....	1,628 of .....	10,000.....	16,280,000.....	
Consols of 1867.....	4 of .....	50.....	200.....	1,442,500
Consols of 1867.....	14 of .....	100.....	1,400.....	
Consols of 1867.....	8 of .....	500.....	4,000.....	
Consols of 1867.....	40 of .....	1,000.....	40,000.....	
Consols of 1867.....	14 of .....	5,000.....	70,000.....	
Consols of 1867.....	1,384 of .....	10,000.....	13,840,000.....	1,442,500
Consols of 1868.....	7 of .....	500.....	3,500.....	
Consols of 1868.....	29 of .....	1,000.....	29,000.....	
Consols of 1868.....	8 of .....	5,000.....	40,000.....	
Consols of 1868.....	137 of .....	10,000.....	1,370,000.....	
Total amount of stocks subject to order of Congress, November 1, 1869 .....				45,000,000

*Consolidated statement of United States six per cent. five-twenty bonds, purchased by the Secretary of the Treasury since the 11th day of May last, and now held by the Treasurer of the United States as custodian, on account of the sinking fund, and on account of a fund held subject to the order of Congress, November 1, 1869.*

Loans.	Principal.	Premium.	Totals.
February 25, 1862.....	\$6,731,200 00	\$1,225,825 88	\$7,957,025 88
March 3, 1864.....	706,400 00	138,751 30	845,151 30
June 30, 1864.....	7,744,500 00	1,430,621 19	9,165,121 19
March 3, 1865.....	4,003,600 00	744,058 38	4,747,658 38
Consols of 1865.....	20,073,750 00	3,623,534 89	23,697,284 89
Consols of 1867.....	21,626,550 00	3,665,641 79	25,292,191 79
Consols of 1868.....	1,958,500 00	370,113 19	2,328,613 19
Totals.....	62,844,500 00	11,188,546 62	74,033,046 62
Accrued interest paid for in coin.....		793,484 52	
Accrued interest received in coin.....		2,121 36	
Total cost.....			791,363 16
			74,824,409 78

NOTE.—A bond for \$1,000, donated by William P. Peters, is included.

Between the 11th day of May and the 25th day of November, there were, Sundays excluded, one hundred and sixty-nine executive days. During this time there was paid for United States six per cent. bonds, on account of the sinking fund and for the fund held subject to the order of Congress, interest and premium paid thereon included, \$89,282,270 13. It will be seen that these payments exceed half a million of dollars for every working day, or over three million dollars in every week for the six months and a little over included in the above-stated time. The Treasurer now holds in trust for the Secretary of the Treasury, on account of the two funds named, \$75,478,800 in United States six per cent. stocks. The dividends on these stocks so held will net an income to the treasury and for the reduction of the public debt of \$4,528,728 per annum.

There has already been received for interest on these bonds \$704,304 in gold, which has been invested in United States bonds representing \$787,800, which are held for the two funds above named.

If the same rate of purchase is hereafter maintained, and the accruing interest invested semi-annually in like bonds, the whole national debt will thus be paid off in less than thirteen years.

#### UNITED STATES PAPER CURRENCY.

The following tables exhibit, under their appropriate heads, the whole amount of paper money that has been issued by the government of the United States, from the commencement of such issues under the act of July 17, 1861, and the several other acts since passed in regard thereto, up to and including June 30, 1869; the amount during that time redeemed, and the amount at the last named date outstanding by kinds, and by denominations, ranging from notes of three cents to those of \$5,000.

##### UNITED STATES DEMAND NOTES.

Denominations.	Issued.	Redeemed.	Outstanding.
Five dollars.....	\$21,800,000 00	\$21,754,204 00	\$45,796 00
Ten dollars.....	30,030,000 00	10,985,644 25	44,155 75
Twenty dollars.....	18,200,000 00	18,166,212 50	33,787 50
Totals.....	60,030,000 00	59,906,060 75	123,739 25
Deduct discount for mutilations.....			2,101 75
Total amount actually outstanding.....			121,637 50

This balance is receivable for customs duties, and redeemable in gold coin at the Treasury of the United States.

##### UNITED STATES LEGAL-TENDER NOTES.

Denominations.	Issued.	Redeemed.	Outstanding.
One dollar.....	\$28,351,348 00	\$14,084,635 80	\$14,266,712 20
Two dollars.....	34,071,128 00	15,397,399 45	18,673,728 55
Five dollars.....	100,439,975 00	39,907,845 00	60,532,130 00
Ten dollars.....	116,690,000 00	32,686,739 75	84,003,260 25
Twenty dollars.....	91,000,000 00	17,215,451 00	73,784,549 00
Fifty dollars.....	27,508,800 00	9,224,625 00	18,284,175 00
One hundred dollars.....	35,310,000 00	8,636,825 00	26,673,175 00
Five hundred dollars.....	54,048,000 00	18,905,175 00	35,142,825 00
One thousand dollars.....	142,084,000 00	78,009,700 00	64,074,300 00
Totals.....	629,503,251 00	234,058,396 00	395,444,855 00
Deduct for new notes not yet put in circulation.....			39,444,855 00
Amount below which there can be no reduction.....			356,000,000 00
Deduct discounts for mutilations.....			64,805 10
Total actual amount outstanding.....			355,935,194 90



## FRACTIONAL CURRENCY—FIRST ISSUE.

Denominations.	Issued.	Redeemed.	Outstanding.
Five cents.....	\$2,242,289 00	\$1,182,773 66	\$1,060,115 34
Ten cents.....	4,115,378 00	2,793,602 13	1,321,775 87
Twenty-five cents.....	5,225,692 00	4,106,639 33	1,118,992 67
Fifty cents.....	8,631,672 00	7,526,847 36	1,104,824 64
<b>Totals.....</b>	<b>20,215,631 00</b>	<b>15,609,922 48</b>	<b>4,605,708 52</b>
<b>Deduct discounts for mutilations.....</b>			<b>13,120 62</b>
<b>Total actual amount outstanding.....</b>			<b>4,592,587 90</b>

## FRACTIONAL CURRENCY—SECOND ISSUE.

Denominations.	Issued.	Redeemed.	Outstanding.
Five cents.....	\$2,776,128 60	\$2,039,773 25	\$736,355 35
Ten cents.....	6,223,584 30	5,138,937 35	1,084,646 95
Twenty-five cents.....	7,618,341 25	6,791,696 18	826,645 07
Fifty cents.....	6,546,429 50	5,665,913 22	880,516 28
<b>Totals.....</b>	<b>23,164,483 65</b>	<b>19,636,320 00</b>	<b>3,528,163 65</b>
<b>Deduct discounts for mutilations.....</b>			<b>8,463 05</b>
<b>Total actual amount outstanding.....</b>			<b>3,519,699 60</b>

## FRACTIONAL CURRENCY—THIRD ISSUE.

Denominations.	Issued.	Redeemed.	Outstanding.
Three cents.....	\$601,923 90	\$493,477 59	\$108,446 31
Five cents.....	657,002 75	494,329 11	162,673 64
Ten cents.....	16,976,134 50	11,920,357 01	5,055,777 49
Fifteen cents.....	*1,352 40		*1,352 40
Twenty-five cents.....	31,173,188 75	23,261,708 90	7,911,479 85
Fifty cents.....	36,705,426 50	25,964,391 00	10,741,035 50
<b>Totals.....</b>	<b>86,115,028 80</b>	<b>62,134,263 61</b>	<b>23,980,765 19</b>
<b>Deduct discounts for mutilations.....</b>			<b>31,025 06</b>
<b>Total actual amount outstanding.....</b>			<b>23,949,740 13</b>

## \*Specimens.

## TWO YEAR FIVE PER CENT. NOTES.

Denominations.	Issued.	Redeemed.	Outstanding.
Fifty dollars.....	\$6,800,000 00	\$6,754,577 50	\$45,422 50
One hundred dollars.....	9,680,000 00	9,640,710 00	39,290 00
<b>Totals.....</b>	<b>16,480,000 00</b>	<b>16,395,287 50</b>	<b>84,732 50</b>
<b>Deduct discounts for mutilations.....</b>			<b>152 50</b>
<b>Total actual amount outstanding.....</b>			<b>84,600 00</b>

## TWO YEAR FIVE PER CENT. COUPON NOTES.

Denominations.	Issued.	Redeemed.	Outstanding.
Fifty dollars.....	\$5,905,600 00	\$5,896,597 50	\$9,002 50
One hundred dollars.....	14,484,400 00	14,470,400 00	14,000 00
Five hundred dollars.....	40,302,000 00	40,297,000 00	5,000 00
One thousand dollars.....	89,308,000 00	89,283,000 00	25,000 00
<b>Totals.....</b>	<b>150,000,000 00</b>	<b>149,946,997 50</b>	<b>53,002 50</b>
<b>Deduct for unknown denominations.....</b>		<b>\$10,500 00</b>	
<b>Deduct for discounts for mutilations.....</b>		<b>2 50</b>	
<b>Total of actual amount outstanding.....</b>			<b>42, 50</b>

## ONE YEAR FIVE PER CENT. NOTES.

Denominations.	Issued.	Redeemed.	Outstanding.
Ten dollars.....	\$6,900,000 00	\$6,159,339 00	\$40,661 00
Twenty dollars.....	16,440,000 00	16,333,434 00	106,566 00
Fifty dollars.....	8,240,000 00	8,203,545 00	36,455 00
One hundred dollars.....	13,640,000 00	13,603,075 00	36,925 00
Totals.....	44,520,000 00	44,299,393 00	220,607 00
Deduct for unknown denominations redeemed.....		\$90 00	
Deduct for discounts for mutilations.....		237 00	
			327 00
Total actual amount outstanding.....			220,280 00

## SIX PER CENT. COMPOUND INTEREST NOTES.

Denominations.	Issued.	Redeemed.	Outstanding.
Ten dollars.....	\$23,285,200 00	\$22,997,973 00	\$287,227 00
Twenty dollars.....	30,125,840 00	29,670,967 00	454,873 00
Fifty dollars.....	60,824,000 00	60,126,520 00	697,480 00
One hundred dollars.....	45,094,400 00	44,701,570 00	392,830 00
Five hundred dollars.....	67,846,000 00	67,675,000 00	171,000 00
One thousand dollars.....	39,420,000 00	38,360,000 00	1,060,000 00
Totals.....	266,595,440 00	263,532,030 00	3,063,410 00
Deduct discounts for mutilations.....			480 00
Total actual amount outstanding.....			3,062,930 00
Outstanding June 30, 1868.....			\$54,607,750 00
Redeemed within the fiscal year.....			51,544,820 00
Outstanding as above.....			3,062,930 00

NOTE.—Nearly all the redemptions were made by conversions into three per cent. certificates.

## TWO YEAR SIX PER CENT. TREASURY NOTES.

## Issued :

46,076 of fifty dollars is.....	\$2,303,800
44,958 of one hundred dollars is.....	4,495,800
13,665 of five hundred dollars is.....	6,832,500
8,836 of one thousand dollars is.....	8,836,000
113,535 of all denominations is.....	22,468,100

## Redeemed :

46,039 of fifty dollars is.....	\$2,301,950
44,944 of one hundred dollars is.....	4,494,400
13,665 of five hundred dollars is.....	6,832,500
8,836 of one thousand dollars is.....	8,836,000
113,484 of all denominations is.....	22,464,850

## Outstanding :

37 of fifty dollars is.....	\$1,850
14 of one hundred dollars is.....	1,400
51 of all denominations is.....	3,250
Total redeemed and outstanding.....	22,468,100

This account agrees with the books of the Register. The Secretary's books show \$50 more outstanding.

#### STOLEN TWO YEAR SIX PER CENT. TREASURY NOTES.

On the 9th day of August, 1861, there was issued to the order of Lieutenant James Brunaugh, acting assistant commissary of subsistence, of Burlington, Iowa, \$5,500 in two year six per cent. notes, as follows:

In payment of war warrant No. 2,640—scale No. 374—thirty \$100 notes, No. 17,120 to 17,149, both inclusive, amounting to \$3,000; and in payment of war warrant No. 2,641—scale No. 395—fifty \$50 notes, No. 17,655 to 17,704, both inclusive, amounting to \$2,500.

By letter of May 19, 1862, Lieutenant Brunaugh informed the department that he had indorsed and disbursed the sum of \$2,550 of the above notes, and that the remainder, \$2,950, not indorsed, had been stolen from him by the rebels at the battle of Pittsburg Landing, April 6, 1862.

There are still outstanding of these notes \$1,550, consisting of two notes of \$100 each, and twenty-seven of \$50 each. Lieutenant Brunaugh has never been able to give any account of the numbers, either of those disbursed or of those stolen; there is, therefore, no way to determine whether the outstanding notes are of the one kind or the other. Of the stolen notes, now reported as outstanding, five of \$50 and one of \$100, aggregating \$350, are in the Treasury vault, having been received from various parties for redemption, but not being properly indorsed, payment was refused, and the notes retained as government property.

#### DISCOUNTS ON MUTILATED MONEYS.

There has been retained on the redemption of mutilated currency, for parts of notes that were missing therefrom, as follows:

On moneys that were destroyed to June 30, 1869.....	\$120,388 48
On moneys that were destroyed before July 1, 1868.....	93,109 47
Discount in the fiscal year ending with June 30, 1869....	27,279 01
Redeemed, but not destroyed, up to July 1, 1869	\$17,524 96
Discounts on moneys on hand June 30, 1868..	6,260 41
Discounts on moneys held, but not destroyed, year ending June 30, 1869 .....	11,264 55
Total amount of discounts in the fiscal year.....	38,543 56
Amount of discounts before July 1, 1868.....	\$99,369 88
Amount of discounts in fiscal year ending June 30, 1869....	38,543 56
Total of all such discounts up to July 1, 1869.....	137,913 44

It is already known that very large amounts of all kinds of United States paper money have been totally destroyed. It would, therefore, be perfectly safe to have the amount of discounts, last above named, covered into the treasury, to the credit of the sinking fund.

## OUTSTANDING CIRCULATION.

*Recapitulation of all kinds of government papers that were issued as money, or that were ever in any way used as a circulating medium, and that remained outstanding and unpaid on the 30th day of June, in the year 1869.*

Seven and three-tenths notes, old issue.....	\$32, 650 00
Seven and three-tenths notes, new issue.....	1, 168, 100 00
Temporary loan certificates.....	186, 310 00
Certificates of indebtedness.....	12, 000 00
Six per cent. compound interest notes.....	3, 062, 930 00
Gold certificates.....	30, 489, 640 00
Three per cent. certificates.....	52, 120, 000 00
Old two year six per cent. notes.....	3, 250 00
One year five per cent. notes.....	220, 280 00
Two year five per cent. notes.....	84, 600 00
Two year five per cent. coupon notes.....	42, 500 00
Demand notes, payable in gold.....	121, 637 50
Legal tender notes.....	355, 935, 194 90
Fractional currency, first series.....	4, 592, 587 90
Fractional currency, second series.....	3, 519, 699 70
Fractional currency, third series.....	23, 949, 740 13
Add for discounts on mutilated currency.....	137, 913 44
Total amount of all kinds of paper money outstanding.	<u>475, 679, 033 57</u>

## TEMPORARY LOAN CERTIFICATES.

*Issued under the act of June 30, 1864.*

## Outstanding four per cents :

Payable at the Baltimore office.....	\$100, 000
Payable at the Cincinnati office.....	75, 000
Total of four per cents.....	<u>175, 000</u>

## Outstanding five per cents :

Payable at the Washington office.....	\$905
Payable at the New York office.....	500
Payable at the Philadelphia office.....	1, 000
Payable at the Cincinnati office.....	1, 100
Total of five per cents.....	<u>3, 505</u>

## Outstanding six per cents :

Payable at the Washington office.....	\$905
Payable at the Philadelphia office.....	5, 300
Payable at the Cincinnati office.....	1, 600
Total of six per cents.....	<u>7, 805</u>
Total amount outstanding.....	<u>186, 310</u>

*Recapitulation by offices.*

Payable at the Washington office.....	\$1,810
Payable at the New York office.....	500
Payable at the Philadelphia office.....	6,300
Payable at the Baltimore office.....	100,000
Payable at the Cincinnati office.....	77,700
<b>Total amount outstanding.....</b>	<b>186,310</b>

THREE PER CENT. CERTIFICATES.

Issued during the fiscal year.....	\$34,605,000
Redeemed during the fiscal year.....	32,485,000
<b>Increase during the fiscal year.....</b>	<b>2,120,000</b>
Issued from the beginning to July 1, 1869.....	\$84,605,000
Redeemed to July 1, 1869.....	32,485,000
<b>Outstanding at the close of business on June 30, 1869....</b>	<b>52,120,000</b>
<b>Due the navy pension fund.....</b>	<b>14,000,000</b>
<b>Total amount outstanding.....</b>	<b>66,120,000</b>

GOLD CERTIFICATES.

Destruction by denominations:

Twenty-dollar notes.....	\$663,800
One-hundred-dollar notes.....	9,063,400
Five-hundred-dollar notes.....	4,861,500
One-thousand-dollar notes.....	47,330,000
Five-thousand-dollar notes.....	262,385,000
Ten-thousand-dollar notes.....	5,000,000
<b>Total amount destroyed.....</b>	<b>329,303,700</b>

Received from the printing bureau:

Twenty-dollar notes.....	\$2,000,000
One-hundred-dollar notes.....	14,800,000
Five-hundred-dollar notes.....	39,000,000
One-thousand-dollar notes.....	117,000,000
Five-thousand-dollar notes.....	470,000,000
Ten-thousand-dollar notes.....	25,000,000
<b>Total amount received into the treasury.....</b>	<b>667,800,000</b>

On hand at Washington and New York:

Twenty-dollar notes.....	\$1,207,060
One-hundred-dollar notes.....	4,457,100
Five-hundred-dollar notes.....	32,901,000
One-thousand-dollar notes.....	64,508,000
Five-thousand-dollar notes.....	178,565,000
Ten-thousand-dollar notes.....	20,000,000

**Total amount remaining in the treasury..... 301,638,160**

Issued as per statement.....	\$366, 161, 840
Redeemed as per statement.....	333, 152, 660
Outstanding.....	<u>33, 009, 180</u>

These gold certificates were redeemed at the various offices and for the amounts as stated below, viz:

Treasurer of the United States, Washington, D. C.....	\$616, 940
Assistant Treasurer United States, at Boston, Mass.....	14, 684, 280
Same at New York, N. Y.....	305, 299, 000
Same at Philadelphia, Penn.....	712, 720
Same at Charleston, S. C.....	248, 020
Same at New Orleans, La.....	771, 420
Same at St. Louis, Mo.....	440, 620
Same at San Francisco, Cal.....	1, 040
Depository of the United States, Baltimore, Md.....	9, 460, 980
Same at Buffalo, N. Y.....	82, 980
Same at Chicago, Ill.....	306, 980
Same at Cincinnati, Ohio.....	316, 300
Same at St. Paul, Minn.....	9, 000
Same at Louisville, Ky.....	115, 620
Same at Mobile, Ala.....	86, 760
Total redemptions to June 30, 1869.....	<u>333, 152, 660</u>

#### MOVEMENT OF GOLD CERTIFICATES.

##### Washington office notes:

Received from the printing bureau.....	\$3, 200, 000
Remaining on hand June 30, 1869.....	<u>3, 153, 200</u>

Issued by the Washington office.....	41, 800
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##### New York office notes:

Sent to New York up to July 1, 1868.....	\$300, 640, 000
Sent to New York in year ending June 30, 1869.....	86, 040, 000
Total amount forwarded to New York.....	<u>386, 680, 000</u>
Remaining in New York office June 30, 1869.....	<u>20, 482, 960</u>

Issued at the New York office.....	366, 197, 040
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Total issued up to July 1, 1869.....	366, 238, 840
Redeemed as per statements.....	<u>333, 152, 660</u>

Outstanding as per books of this office.....	33, 086, 180
Issued at New York June 30, 1869.....	\$2, 595, 540
Issued at Washington June 30, 1869.....	1, 000
	<u>2, 596, 540</u>

Amount outstanding, as per debt statement, July 1, 1869.....	<u>30, 489, 640</u>
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NOTE.—Seventy-seven thousand dollars redeemed at New York June 30, 1869, is included in item of "remaining in New York," &c.

## GOLD CERTIFICATES.

<b>Issued:</b>	
From November 13, 1865, to June 30, 1866 .....	\$98,493,660
From June 30, 1866, to June 30, 1867 .....	109,121,620
From June 30, 1867, to June 30, 1868 .....	77,960,400
From June 30, 1868, to June 30, 1869 .....	80,663,160
<b>Total issued, as per books of this office .....</b>	<b>366,238,840</b>
<b>Redeemed:</b>	
From November 13, 1865, to June 30, 1866. \$87,545,800	
From June 30, 1866, to June 30, 1867 .....	101,295,900
From June 30, 1867, to June 30, 1868 .....	79,055,340
From June 30, 1868, to June 30, 1869 .....	65,178,620
<b>Total redeemed as per books of this office .....</b>	<b>333,075,660</b>
<b>Outstanding as per books of this office .....</b>	<b>33,163,180</b>
<b>Redeemed at the New York office, June 30, 1869 .....</b>	<b>77,000</b>
<b>Apparent amount outstanding .....</b>	<b>33,086,180</b>
<b>Issued at the New York office, June 30, 1869. \$2,595,540</b>	
<b>Issued at the Washington office, June 30, 1869. 1,000</b>	
	<b>2,596,540</b>
<b>Outstanding as per debt statement of July 1, 1869. ....</b>	<b>30,489,640</b>

The redemption of these gold certificates was for the amounts and at the places as follows:

New York, N. Y. ....	\$54,414,700
Boston, Mass. ....	5,418,760
Baltimore, Md. ....	3,903,860
New Orleans, La. ....	552,320
St. Louis, Mo. ....	192,960
Savannah, Ga. ....	191,600
Philadelphia, Pa. ....	173,400
Chicago, Ill. ....	123,060
Louisville, Ky. ....	102,000
Charleston, S. C. ....	57,820
Brunswick, Ga. ....	50,540
Buffalo, N. Y. ....	24,940
Wilmington, N. C. ....	14,700
Washington, D. C. ....	13,160
Cincinnati, Ohio. ....	9,920
Richmond, Va. ....	6,880
Mobile, Ala. ....	5,000
<b>Total redemptions in the fiscal year .....</b>	<b>65,255,620</b>

**NOTE.**—This includes \$77,000 redeemed at New York, June 30, 1869.

## GOLD CERTIFICATES OUTSTANDING BY DENOMINATIONS.

## Notes of the New York office:

Twenty-dollar notes .....	\$128,840 .
One-hundred-dollar notes .....	1,272,700
Five-hundred-dollar notes .....	1,236,500
One-thousand-dollar notes .....	5,164,000
Five-thousand-dollar notes .....	29,050,000

Total outstanding issued at the office in New York.. 36,852,040

## Notes of the Washington office:

One-hundred-dollar notes .....	6,100
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Total amount .....	36,858,140
Less in office, canceled but not destroyed .....	3,848,960

Total amount outstanding, as per books of this office.	33,009,180
Issued at the New York office, June 30, 1869.. \$2,595,540	
Issued at the Washington office, June 30, 1869. 1,000	
	2,596,540

Issues of the 30th of June deducted .....	30,412,640
Redeemed at New York, June 30, 1869, added .....	77,000

Would leave outstanding, as per debt statement of July 1, 1869 .....	30,489,640
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## GOLD CERTIFICATES—RÉSUMÉ.

Amount received from the printing bureau .....	\$667,800,000
Amount remaining in offices at Washington and New York .....	301,638,160

Amount issued by offices at Washington and New York.	366,161,840
Amount redeemed and destroyed .....	\$329,303,700
Amount redeemed, not yet destroyed ....	3,848,960

Total amount redeemed up to close of the fiscal year.	333,152,660
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Outstanding, as per books of this office .....	33,009,180
Issued at New York office, June 30, 1869. \$2,595,540	
Issued at Washington office, June 30, 1869. 1,000	
	2,596,540

Amount with certificates issued on June 30, 1869 deducted .....	30,412,640
Add for amount redeemed June 30, 1869, at New York.	77,000

Outstanding, as per debt statement of July 1, 1869.	30,489,640
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All of these gold certificates or notes bear the *printed* signatures of a former Register of the Treasury, and of the Treasurer of the United States.

Those of the denomination of ten thousand dollars, and of five thousand dollars, are payable to "*order*," and require the autographic signature of an "Assistant Treasurer of the United States" before they become negotiable. This last-named signature is also required on the



denominations of one thousand dollars and of five hundred dollars. The denominations of one hundred dollars and of twenty dollars bear, in addition to the *printed* signatures first before named, the *printed* signature of "H. H. Van Dyck, Assistant Treasurer of the United States;" and are, therefore, perfect, and are transferable by delivery the same as the legal-tender notes of the United States.

The foregoing statements in regard to the movements of these gold certificates have been made very much in detail, and have been stated and restated in various ways, as well to test the correctness of the various statements with each other, and with the summary of the whole, as to have a perfect record of these securities in every particular; and because it is believed that they are the most liable to be used surreptitiously of any of the funds of the United States, and that greater watchfulness is required in their case than in that of any other securities of the government.

## UNITED STATES SEVEN AND THREE-TENTHS NOTES.

*Statement of issues.*

First series, August 15, 1864:

363,952 of fifties is .....	\$18,197,600
566,039 of one hundreds is .....	56,603,900
171,666 of five hundreds is .....	85,833,000
118,528 of one thousands is .....	118,528,000
4,166 of five thousands is .....	20,830,000

Total issue of first series .....	299,992,500
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Second series, June 15, 1865:

182,926 of fifties is .....	\$9,146,300
338,227 of one hundreds is .....	33,822,700
175,682 of five hundreds is .....	87,841,000
179,965 of one thousands is .....	179,965,000
4,045 of five thousands is .....	20,225,000

Total issue of second series .....	331,000,000
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Third series, July 15, 1865:

343,320 of fifties is .....	\$17,166,000
472,080 of one hundreds is .....	47,208,000
108,654 of five hundreds is .....	54,327,000
71,879 of one thousands is .....	71,879,000
1,684 of five thousands is .....	8,420,000

Total issue of third series .....	199,000,000
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Total issues of all the series .....	829,992,500
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Recapitulation of all the issues:

890,198 of fifties is .....	\$44,509,900
1,376,346 of one hundreds is .....	137,634,600
456,002 of five hundreds is .....	228,001,600
370,372 of one thousands is .....	370,372,000
9,895 of five thousands is .....	49,475,000

Total issues by denominations .....	829,992,500
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STATEMENTS OF CONVERSIONS AND REDEMPTIONS OF SEVEN-THIRTIES DURING THE FISCAL YEAR BY SERIES AND DENOMINATIONS; AND IN GROSS AMOUNTS DURING FORMER YEARS, AND GROSS AMOUNTS OUTSTANDING.

First series, August 15, 1864:

2, 285 of fifties is.....	\$114, 250
1, 969 of one hundreds is.....	196, 900
188 of five hundreds is.....	94, 000
60 of one thousands is.....	60, 000
7 of five thousands is.....	35, 000

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500, 150

Redeemed previous to July 1, 1868.....	\$299, 217, 850
Outstanding July 1, 1869.....	274, 500

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299, 492, 350

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Total original issue..... 299, 992, 500

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Second series, June 15, 1865:

13, 642 of fifties is.....	\$682, 100
24, 469½ of one hundreds is.....	2, 446, 950
7, 381 of five hundreds is.....	3, 690, 500
4, 533 of one thousands is.....	4, 533, 000
65 of five thousands is.....	325, 000

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11, 677, 550

Redeemed previous to July 1, 1868.....	\$318, 958, 850
Outstanding July 1, 1869.....	363, 600

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319, 322, 450

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Total original issue..... 331, 000, 000

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Third series, July 15, 1865:

49, 715 of fifties is.....	\$2, 485, 750
73, 973½ of one hundreds is.....	7, 397, 350
14, 070 of five hundreds is.....	7, 035, 000
6, 747 of one thousands is.....	6, 747, 000
156 of five thousands is.....	780, 000

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\$24, 445, 100

Redeemed previous to July 1, 1868.....	174, 024, 900
Outstanding July 1, 1869.....	530, 000

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174, 554, 900

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Total original issue..... 199, 000, 000

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Recapitulation of all the issues:

65, 642 of fifties is.....	\$3, 282, 100
100, 412 of one hundreds is.....	10, 041, 200
21, 639 of five hundreds is.....	10, 819, 500
11, 340 of one thousands is.....	11, 340, 000
228 of five thousands is.....	1, 140, 000

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36, 622, 800

	Brought forward.....	\$36, 622, 800
Redeemed previous to July 1, 1868.....	\$792, 201, 600	
Outstanding on July 1, 1869.....	1, 168, 100	
	<hr/>	793, 369, 700
Total original issue.....		<hr/> <hr/> 829, 992, 500

*Statements by series, and by denominations of seven-thirty notes, that were outstanding on the 30th of June, 1869.*

First series, August 15, 1864:

1, 566 of fifties is.....	\$78, 300
1, 112 of one hundreds is.....	111, 200
106 of five hundreds is.....	53, 000
32 of one thousands is.....	32, 000
	<hr/>
	274, 500

Second series, June 15, 1865:

845 of fifties is.....	\$42, 250
1, 068½ of one hundreds is.....	106, 850
253 of five hundreds is.....	126, 500
83 of one thousands is.....	83, 000
1 of five thousands is.....	5, 000
	<hr/>
	363, 600

Third series, July 15, 1865:

2, 901 of fifties is.....	145, 050
2, 544½ of one hundreds is.....	254, 450
181 of five hundreds is.....	90, 500
40 of one thousands is.....	40, 000
	<hr/>
	530, 000
	<hr/>
	1, 168, 100

Recapitulation of the three series combined:

5, 312 of fifties is.....	\$265, 600
4, 725 of one hundreds is.....	472, 500
540 of five hundreds is.....	270, 000
155 of one thousands is.....	155, 000
1 of five thousands is.....	5, 000
	<hr/>
Total outstanding June 30, 1869.....	1, 168, 100

The debt statement dated July 1, 1869, as published by the Secretary of the Treasury, makes the amount of these seven-thirty notes outstanding to be \$1,166,500, being \$1,600 less than as per foregoing statement. This discrepancy occurred and is accounted for as follows: An amount of fifteen hundred dollars, in these notes, that were received from the then assistant treasurer at New York, for conversion into five-twenty United States bonds, had been caveated, in the office of the Secretary of the Treasury, as having been stolen from the payee. The conversion was thereupon refused, and the notes were returned to the office in New York, in order that they might be replaced by other notes of the same amount. The indorser of these notes, from whom they were received, refused to respond. The matter is in litigation, and is undecided.

A note for \$100 was received in this office from the office of the Secretary of the Treasury, in the month of April last; but, having been mislaid, was not redeemed until after the close of the fiscal year. The statement then is as follows:

Amount outstanding as per debt statement of July 1, 1869. \$1,166,500  
Add the above mentioned two items.....,..... 1,600

Which together make the amount outstanding, as per  
table above..... 1,168,100

#### CIRCULATING NOTES ISSUED DURING THE YEAR.

##### Legal tenders:

5,522,000 ones.....	\$5,522,000
4,000,216 twos.....	8,000,432
867,236 fives.....	4,336,180
800,496 tens.....	8,004,960
800,016 twenties.....	16,000,320
56,560 one hundreds.....	5,656,000
20,000 five hundreds.....	10,000,000
20,000 one thousands.....	20,000,000
<b>Total.....</b>	<b>77,519,892</b>

##### Fractional currency:

49,575,744 ten cents.....	\$4,957,574 40
31,525,956 twenty-five cents.....	7,881,489 00
21,740,136½ fifty cents.....	*10,870,068 25

**Total.....** 23,709,131 65

**Total issued during the fiscal year.....** 101,229,023 65

The following are statements exhibiting, by denominations, the amounts paid, the amounts discounted for mutilations, and the total amounts retired, of all kinds of currency, from the beginning, up to and including June 30, 1869:

Denominations.	Amounts paid.	Amounts dis- counted.	Total amounts retired.
<b>DEMAND NOTES.</b>			
Five dollars.....	\$21,754,204 00	\$473 50	\$21,754,677 50
Ten dollars.....	19,985,844 25	440 75	19,986,285 00
Twenty dollars.....	18,166,212 50	1,187 50	18,167,400 00
<b>Totals.....</b>	<b>59,906,260 75</b>	<b>2,101 75</b>	<b>59,908,362 50</b>
<b>LEGAL-TENDER NOTES.</b>			
One dollar.....	14,084,635 80	19,138 80	14,103,774 60
Two dollars.....	15,307,389 45	13,194 55	15,410,584 00
Five dollars.....	39,907,845 00	12,747 50	39,920,592 50
Ten dollars.....	32,686,739 75	8,770 25	32,695,510 00
Twenty dollars.....	17,215,451 00	7,429 00	17,222,880 00
Fifty dollars.....	9,224,625 00	1,525 00	9,226,150 00
One hundred dollars.....	8,626,825 00	1,375 00	8,628,200 00
Five hundred dollars.....	18,905,175 00	325 00	18,905,500 00
One thousand dollars.....	78,009,700 00	300 00	78,010,000 00
<b>Totals.....</b>	<b>234,058,396 00</b>	<b>64,805 10</b>	<b>234,123,201 10</b>

\*Fronts and backs of specimen currency are counted separately, hence half notes.

*Statements exhibiting amounts paid, discounted, and retired, &c.—Continued.*

Denominations.	Amounts paid.	Amounts dis- counted.	Total amounts retired.
<b>ONE-YEAR FIVE PER CENT. NOTES.</b>			
Ten dollars.....	\$6,159,339 00	\$31 00	\$6,159,370 00
Twenty dollars.....	16,333,434 00	126 00	16,333,560 00
Fifty dollars.....	8,203,515 00	55 00	8,203,600 00
One hundred dollars.....	13,603,075 00	25 00	13,603,100 00
Denominations unknown.....	90 00	.....	90 00
Totals.....	44,299,483 00	237 00	44,299,720 00
<b>TWO-YEAR FIVE PER CENT. NOTES.</b>			
Fifty dollars.....	6,754,537 50	62 50	6,754,600 00
One hundred dollars.....	9,640,710 00	90 00	9,640,800 00
Totals.....	16,395,247 50	152 50	16,395,400 00
<b>TWO-YEAR FIVE PER CENT. COUPON NOTES.</b>			
Fifty dollars.....	5,896,597 50	2 50	5,896,600 00
One hundred dollars.....	14,470,400 00	.....	14,470,400 00
Five hundred dollars.....	40,297,000 00	.....	40,297,000 00
One thousand dollars.....	89,283,000 00	.....	89,283,000 00
Denominations unknown.....	10,500 00	.....	10,500 00
Totals.....	149,957,497 50	2 50	149,957,500 00
<b>THREE-YEAR SIX PER CENT. COMPOUND INTEREST NOTES.</b>			
Ten dollars.....	22,997,973 00	137 00	22,998,110 00
Twenty dollars.....	29,670,967 00	133 00	29,671,100 00
Fifty dollars.....	60,126,520 00	180 00	60,126,700 00
One hundred dollars.....	44,701,570 00	30 00	44,701,600 00
Five hundred dollars.....	67,675,000 00	.....	67,675,000 00
One thousand dollars.....	38,360,000 00	.....	38,360,000 00
Totals.....	263,532,030 00	480 00	263,532,510 00
<b>FRACTIONAL CURRENCY—FIRST SERIES.</b>			
Five cents.....	1,182,773 66	1,462 34	1,184,236 00
Ten cents.....	2,793,602 13	2,073 97	2,795,676 10
Twenty-five cents.....	4,106,639 33	5,626 67	4,112,266 00
Fifty cents.....	7,526,847 36	3,957 64	7,530,805 00
Totals.....	15,609,922 48	13,120 62	15,623,043 10
<b>FRACTIONAL CURRENCY—SECOND SERIES.</b>			
Five cents.....	2,039,773 25	1,815 35	2,041,588 60
Ten cents.....	5,138,937 35	3,452 25	5,142,389 60
Twenty-five cents.....	6,791,606 18	1,586 07	6,793,292 25
Fifty cents.....	5,665,913 22	1,610 28	5,667,523 50
Totals.....	19,636,320 00	8,463 95	19,644,783 95
<b>FRACTIONAL CURRENCY—THIRD SERIES.</b>			
Three cents.....	493,477 50	131 43	493,609 02
Five cents.....	494,329 11	341 09	494,670 20
Ten cents.....	11,920,357 01	7,490 19	11,927,847 20
Twenty-five cents.....	23,261,708 99	9,979 10	23,271,688 00
Fifty cents.....	25,964,391 00	13,083 25	25,977,474 25
Totals.....	62,134,263 61	31,025 06	62,165,288 67

## CERTIFICATES OF INDEBTEDNESS.

*Statement of amounts issued, redeemed, and outstanding.*

Old issue:	
Numbers from 1 to 153,662 of \$1,000 is.....	\$153,662,000 00
Numbers from 1 to 14,500 of \$5,000 is.....	72,500,000 00
Numbers from 15,001 to 31,010 of \$5,000 is.....	80,050,000 00
Numbers from 31,111 to 69,268 of \$5,000 is.....	190,790,000 00
Numbers from 1 to 13 of various denominations.....	1,591,241 65
Total amount of first series issued.....	498,593,241 65
New issue:	
Numbers from 1 to 15,145 of \$1,000 is....	\$15,145,000
Numbers from 1 to 9,603 of \$5,000 is....	48,015,000
Total amount of series issued.....	63,160,000 00
Total amount redeemed, of both series, up to July 1, 1868.....	561,753,241 65
Redeemed to July 1, 1868.....	\$561,735,241 65
Redeemed during the fiscal year.....	6,000 00
Outstanding June 30, 1869.....	12,000 00
Total issues, as above stated, from the com- mencement.....	561,753,241 65
One certificate of the denomination of five thousand dollars, and seven certificates of the denomination of one thousand dollars, are still outstanding. Of the \$12,000 outstanding \$8,000 is caveated.	
Interest was paid to June 30, 1868.....	\$20,740,566 65
Interest was paid this fiscal year.....	248 71
Total amount of interest paid to July 30, 1869.....	20,740,815 36
Principal paid as above stated.....	561,741,241 65
Total principal and interest paid up to July 1, 1869...	582,482,057 01

The 100 numbers intermitted of \$5,000 certificates above spoken of were never printed nor received. The skipping over these numbers was an accident in the printing bureau; and as the next series of one hundred notes had been issued, it was not thought advisable to issue lower numbers of a later date to higher numbers of an earlier date. So 100 numbers were never issued.

The history of the other amount that never was issued is as follows: On the 3d day of December, 1862, five hundred impressions of these one-year 6 per cent. certificates of indebtedness, of the denomination of five thousand dollars, amounting in the aggregate to two million five hundred thousand dollars, bearing printed numbers from 14,501 to 15,000, both inclusive, were abstracted from the department.

They were all returned to the department by detectives on the 6th day of February, 1863, and were destroyed by burning to ashes on the

18th day of the same month and year. These numbers were dropped from the numerical register, and no certificates of indebtedness of the denomination of five thousand dollars, bearing the numbers of those abstracted and destroyed, as above mentioned, were ever issued.

These explanations, and others in this report, are made, not because they are believed to be of any interest to the public, but because it is desirable that there should be a record for the guidance of those who will come after us in the office.

**REDEMPTION AND DESTRUCTION OF MONEYS AND SECURITIES WITHIN THE YEAR.**

Demand notes.....		\$20,172 75
Legal-tender notes.....		57,947,521 80
One-year 5 per cent. notes.....		238,040 00
Two-year 5 per cent. notes.....		103,650 00
Two-year 5 per cent. coupon notes.....		26,750 00
Three-year 6 per cent. compound interest notes.....		51,544,820 00
Gold certificates.....		67,570,060 00
Fractional currency, first issue.....		275,382 75
Fractional currency, second issue.....		395,911 57
Fractional currency, third issue.....		23,051,108 44
Discounts on the above.....		27,279 01
		<hr/>
		201,800,696 32
Certificates of indebtedness.....	\$5,000 00	
Interest on the same.....	196 44	
Statistically destroyed before issue.....	523,517,568 52	
Amount on hand at close.....	434,135 49	
		<hr/>
		523,956,900 45
		<hr/>
Total amount.....		725,757,596 77
		<hr/>

**REDEMPTION AND DESTRUCTION ACCOUNT.**

*Cash Dr.*

To balance from the year 1868.....	\$337,139 45
Amount received during the year.....	201,870,413 35
	<hr/>
Total.....	202,207,552 80
	<hr/>

*Cash Cr.*

Destroyed during the year.....	\$201,773,417 31
Balance to new account.....	434,135 49
	<hr/>
Total.....	202,207,552 80
	<hr/>
Discount for mutilations.....	\$27,279 01
Certificates of indebtedness and interest.....	5,196 44
Statistical matter.....	523,517,568 52
	<hr/>
	523,550,043 97
Amount brought down.....	202,207,552 80
	<hr/>
Total for the fiscal year.....	725,757,596 77
	<hr/>

## DISCOUNTS ON MUTILATED CURRENCY.

Discounts have been made for missing parts of mutilated currency that have been destroyed, up to and including June 30, 1869,

On six per cent. compound interest notes.....	\$480 00
On one-year five per cent. notes.....	237 00
On two-year five per cent. notes.....	152 50
On two-year five per cent. coupon notes.....	2 50
On demand notes.....	2,101 75
On legal-tender notes.....	64,805 10
On fractional currency, first series.....	13,120 62
On fractional currency, second series.....	8,463 95
On fractional currency, third series.....	31,025 06
<b>Total discounts.....</b>	<b>120,388 48</b>

These discounts have been made on the various kinds of moneys, as follows, viz:

On demand notes.....	\$2,101 75
On legal-tender notes.....	64,805 10
On one-year five per cent. notes.....	237 00
On two-year five per cent. notes.....	152 50
On two-year five per cent. coupon notes.....	2 50
On three-year six per cent. notes.....	480 00
On fractional currency, first issue.....	13,120 62
On fractional currency, second issue.....	8,463 95
On fractional currency, third issue.....	31,025 06
	120,388 48
On moneys redeemed but not destroyed.....	17,524 96
<b>Total discounts from the beginning.....</b>	<b>137,913 44</b>

These discounts were made for the amounts and in the years as follows, viz:

In the year 1863.....	\$615 27
In the year 1864.....	11,393 93
In the year 1865.....	13,108 09
In the year 1866.....	17,813 36
In the year 1867.....	24,767 69
In the year 1868.....	31,671 54
In the year 1869.....	38,543 56
<b>Total discounts from the beginning.....</b>	<b>137,913 44</b>



## DESTRUCTION OF PAPER MONEY.

There have been destroyed, since the commencement of the rebellion, papers representing money of the kinds, denominations, and numbers of each kind, as follows:

Demand notes:	
Five dollars.....	4,350,935½
Ten dollars.....	1,998,628½
Twenty dollars.....	908,370
Total number of notes destroyed.....	7,257,934
Legal-tender notes:	
One dollar.....	14,103,774
Two dollars.....	7,705,297
Five dollars.....	7,984,118½
Ten dollars.....	3,269,551
Twenty dollars.....	861,144
Fifty dollars.....	184,523
One hundred dollars.....	86,282
Five hundred dollars.....	37,811
One thousand dollars.....	78,010
Total number of notes destroyed.....	34,310,510½
One-year five per cent. notes:	
Ten dollars.....	615,937
Twenty dollars.....	816,678
Fifty dollars.....	164,072
One hundred dollars.....	136,031
Total number of notes.....	1,732,718
Two-year five per cent. notes:	
Fifty dollars.....	135,092
One hundred dollars.....	96,408
Total number of notes.....	231,500
Two-year five per cent. coupon notes:	
Fifty dollars.....	117,932
One hundred dollars.....	144,704
Five hundred dollars.....	80,594
One thousand dollars.....	89,283
Total number of notes.....	432,513
Fractional currency, first series:	
Five cents.....	23,684,720
Ten cents.....	27,956,761
Twenty-five cents.....	16,449,304
Fifty cents.....	15,061,610
Total number of notes.....	83,152,395

## Fractional currency, second series:

Five cents.....	40,831,772
Ten cents.....	51,423,896
Twenty-five cents.....	27,173,129
Fifty cents.....	11,335,047

Total number of notes.....	130,763,844
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## Fractional currency, third series:

Three cents.....	16,453,634
Five cents.....	9,893,404
Ten cents.....	119,278,472
Twenty-five cents.....	93,086,752
Fifty cents.....	51,954,948

Total number of notes.....	290,667,210
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## Three-year six per cent. compound interest notes:

Ten dollars.....	2,299,811
Twenty dollars.....	1,483,555
Fifty dollars.....	1,202,534
One hundred dollars.....	447,016
Five hundred dollars.....	135,350
One thousand dollars.....	38,360

Total number of notes.....	5,606,626
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## Gold certificates:

Twenty dollars.....	33,190
One hundred dollars.....	90,634
Five hundred dollars.....	9,723
One thousand dollars.....	47,330
Five thousand dollars.....	52,477
Ten thousand dollars.....	500

Total number of notes.....	233,854
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## National bank notes:

One dollar.....	11,623
Two dollars.....	4,362
Five dollars.....	125,415
Ten dollars.....	27,615
Twenty dollars.....	7,451
Fifty dollars.....	621
One hundred dollars.....	198

Total number of national bank notes destroyed.....	177,285
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The notes described in the above table as having been destroyed are exclusively the notes of such banks as have failed, and such as have gone into voluntary liquidation, and that have deposited in money with the Treasurer from the sale of stocks in the one case, and by a deposit, to the whole amount of their outstanding circulation, in the other, for the prompt redemption by the Treasurer of all such notes. The notes

of all national banks that are doing business, when returned to the Comptroller of the Currency, are destroyed under the direction of that officer, and do not enter into this account.

**Recapitulation of notes destroyed:**

Number of demand notes.....	7,257,934
Number of legal-tender notes.....	34,310,510½
Number of fractional currency notes—first series.....	83,152,395
Number of fractional currency notes—second series.....	130,763,844
Number of fractional currency notes—third series.....	290,667,210
Number of one-year five per cent. notes.....	1,732,718
Number of two-year five per cent. notes.....	231,500
Number of two-year five per cent. coupon notes.....	432,513
Number of three-year six per cent. compound interest notes.....	5,606,626
Number of gold certificates.....	233,854
Number of national bank notes.....	177,285
<b>Total number of notes destroyed from the beginning....</b>	<b>554,566,389½</b>
<b>Number of notes destroyed before July 1, 1868.....</b>	<b>431,646,177½</b>
<b>Number of notes destroyed in the fiscal year.....</b>	<b>122,920,212</b>
<b>Total number destroyed from the beginning, as above....</b>	<b>554,566,389½</b>

**DESTRUCTION OF STATISTICAL MATTER.**

Whenever, for any reason, it becomes necessary that any bonds, notes, stamps, or other papers be destroyed that would be of value if issued, but that have not been covered into the treasury, or in any way used, and that are not required for present or to be kept for future use, their destruction takes place, not as money of account, or as being of any money value; and they are, therefore, not destroyed as such, but a mere statistical account is kept of such destruction. So, too, United States bonds that have been used, but that have been returned, and for which new ones have been issued in exchange, on transfers of stocks, or otherwise, as they no longer represent any value, are in like manner destroyed "statistically."

The following table exhibits an account in detail of all such bonds, notes, stamps, or other papers of value, that have been so destroyed since the commencement of the rebellion in 1861, up to and including the 30th day of June, in the year 1869:

<b>Legal-tender notes, (a special case.)—The notes comprised in this item were received and entered upon the books of the cashier as money, and should have been destroyed as money; but, by an error of the burning committee, were certified as having been destroyed on statistical account, and are so entered on the books of the redemption division. The amount has not entered into the Register's accounts. In order to make all the accounts right the amount should be covered into the treasury, and the Treasurer should be reimbursed for the amount of.....</b>		<b>\$39,818,425 00</b>
<b>Demand notes—first issue.....</b>		<b>1,000 00</b>
<b>Legal-tender notes—greenbacks.....</b>		<b>3,559,761 00</b>

Legal-tender notes—issue of 1869, (plate changed) . . . .	\$1, 010, 000 00
One-year five per cent. treasury notes . . . . .	3, 274, 600 00
Two-year five per cent. treasury notes . . . . .	98, 278, 600 00
Two-year five per cent. coupon treasury notes . . . . .	11, 248, 800 00
Three-year six per cent. compound interest notes . . . . .	116, 134, 920 00
Gold certificates . . . . .	169, 504, 000 00
Fractional currency—first series . . . . .	271 00
Fractional currency, second series . . . . .	673, 407 15
Fractional currency—third series . . . . .	814, 095 40
Fractional currency—specimens . . . . .	1, 565 95
Two-year six per cent. treasury notes . . . . .	3, 460 200 00
Coin certificates of indebtedness . . . . .	52, 998, 000 00
Currency certificates of indebtedness . . . . .	111, 535, 000 00
Internal revenue stamps . . . . .	451, 118 93
Three per cent. certificates . . . . .	1, 980, 000 00
Sixty days' six per cent. notes . . . . .	8, 988, 850 00
One-year six per cent. notes . . . . .	202, 200 00
Two-year six per cent. notes . . . . .	9, 569, 150 00
Oregon war debt bonds . . . . .	2, 351, 850 00
Five-twenty coupon bonds . . . . .	349, 500 00
Five-twenty coupon bonds, first series . . . . .	39, 284, 150 00
Five-twenty coupon bonds, second series . . . . .	13, 927, 000 00
Five-twenty coupon bonds, third series . . . . .	18, 462, 200 00
Five-twenty coupon bonds, fourth series . . . . .	20, 823, 050 00
Five-twenty coupon bonds, March 3, 1865 . . . . .	68, 412, 500 00
Five-twenty coupon bonds, redemptions of 1st, 2d, 3d, and 4th series . . . . .	1, 441, 500 00
Five-twenty coupon bonds, June 30, 1864 . . . . .	47, 495, 450 00
Five-twenty coupon bonds, March 3, 1864 . . . . .	6, 000, 000 00
Five-twenty coupon bonds, March 3, 1865, 1st series, (exchanges) . . . . .	62, 610, 000 00
Five-twenty coupon bonds, March 3, 1865, 2d series . . . . .	2, 374, 350 00
Five-twenty coupon bonds, loan of 1865, 3d series . . . . .	38, 100 00
Five-twenty coupon bonds, March 3, 1865, (all coupons attached) . . . . .	2, 450, 000 00
Six per cent. coupon bonds, act March 3, 1863 . . . . .	5, 956, 250 00
Six per cent. consolidated loan bonds . . . . .	37, 880, 100 00
Five per cent. ten-forty coupon bonds . . . . .	79, 182, 350 00
Five per cent. ten-forty coupon bonds, redemptions . . . . .	1, 501, 500 00
Coupon bonds of the loan of 1861 . . . . .	11, 755, 900 00
Coupon bonds of the loan of 1848 . . . . .	11, 815, 000 00
Coupon bonds, consolidated loan of 1867 . . . . .	99, 500 00
Coupon bonds, act June 30, 1864 . . . . .	9, 481, 500 00
Coupon bonds, act July 17, 1861 . . . . .	60, 192, 450 00
Coupon bonds, loan of 1868 . . . . .	262, 150 00
Mutilated five-twenty bonds, consolidated loan of 1867 . . . . .	5, 810, 100 00
Seven-thirty currency-interest notes . . . . .	181, 454, 550 00
Coupons detached from seven-thirty notes . . . . .	1, 969, 691 47
Five-twenty registered certificates, June 30, 1864 . . . . .	28, 934, 700 00
Five-twenty registered certificates, March 3, 1864 . . . . .	53, 765, 000 00
Six per cent. registered certificates, March 3, 1863 . . . . .	93, 923, 350 00
Six per cent. registered certificates, August 5, 1861 . . . . .	38, 450 00
Six per cent. registered certificates, February 8, 1861 . . . . .	6, 000 00
Six per cent. registered certificates, March 3, 1865 . . . . .	34, 425, 450 00
Ten-forty registered five per cent. certificates . . . . .	103, 101, 150 00

Seven-thirty registered certificates.....	\$8,565,000 00
Registered Pacific Railroad certificates.....	14,995,000 00
Registered certificates of the loan of 1868.....	150,000 00
Registered certificates of the loan of 1867.....	2,744,850 00
Seven-thirty coupon notes, (exchanges).....	95,500 00
Registered certificates, loan of 1848, (exchanges)....	262,000 00
Six per cent. coupon bonds, act June 22, 1860, (exchanges) .....	715,000 00
Six per cent. coupon bonds, act June 14, 1858, (exchanges) .....	3,819,000 00
Six per cent. coupon bonds, act February 8, 1861, (exchanges) .....	2,908,000 00
Ten-forty coupon bonds, act March 3, 1864, (exchanges) .....	81,424,250 00
Five-twenty coupon bonds, act February 25, 1862, (exchanges) .....	62,357,850 00
Five-twenty coupon bonds, act March 3, 1863, (exchanges) .....	32,249,600 00
Five-twenty coupon bonds, act June 30, 1864, (exchanges) .....	12,282,950 00
Coupon bonds, act February 25, 1862, first series, (exchanges) .....	582,400 00
Coupon bonds, act February 25, 1862, second series, (exchanges).....	413,900 00
Coupon bonds, act February 25, 1862, third series, (exchanges).....	312,300 00
Coupon bonds, act February 25, 1862, fourth series, (exchanges).....	612,600 00
Coupon bonds, loan of 1867, third series, (exchanges).....	20,400 00
Coupon bonds, loan of 1867, consols, (exchanges)....	4,738,850 00
Coupon bonds, loan of 1865, third series, consols 1867, (exchanges).....	4,160,700 00
Coupon bonds, loan of 1865, second series consols, (exchanges).....	1,966,500 00
Two-year five per cent. coupons, detached from notes.....	51,810 00
Oregon war debt coupons, detached from bonds.....	2,556 00
Loan of 1862, coupons detached from bonds .....	1,775,664 00
Coupons detached from bonds, acts of July 17 and August 5, 1861.....	924,420 00
Coupons detached from bonds, act March 3, 1865....	4,924,609 50
Coupons detached from bonds, 10-40s, loan of 1864....	3,582,170 00
Coupons detached from bonds of the consolidated debt .....	1,555,300 50
Coupons in strips canceled, 10-40s, loan of 1864.....	2,117,575 00
Coupons detached from bonds, loan of June 30, 1864.....	2,915,745 00
Coupons detached from bonds, loan of February 25, 1862 .....	5,890 50
Coupons detached from bonds, loan of 1861.....	360 00
Coupons detached from bonds, loan of 1867.....	104,392 50
Coupons detached from bonds, loan of 1860.....	1,950 00
Coupons detached from bonds, loan of 1858.....	189,325 00
Treasury notes under act of December 23, 1857.....	52,762,600 00
Five-twenty registered certificates, act February 25, 1862 .....	22,722,400 00

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Total amount of money and securities destroyed statistically .....	1,970,092,173 90
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All the foregoing items appear by denominations and otherwise, as much in detail as possible, on the books of this office. These accounts are so kept that the disposition of everything that has been printed as money, or as securities of the United States, may be readily found and satisfactorily accounted for.

The following is a statement of the kinds, and of the numbers of each kind of notes, certificates, and bonds of the United States, destroyed statistically, from 1861 up to and including the 30th of June, 1869:

	Pieces.
Demand notes, first issue .....	116
Legal-tender notes, special case .....	961, 553
Legal-tender notes, "greenbacks" .....	259, 058
Legal-tender notes, issue of 1869 .....	20, 200
One-year five per cent. notes .....	97, 840
Two-year five per cent. notes .....	699, 668
Two-year five per cent. notes, with coupons .....	28, 384
Three-year six per cent. compound interest notes .....	2, 057, 865
Gold certificates .....	278, 524
Fractional currency, first series .....	1, 928
Fractional currency, second series .....	3, 688, 407
Fractional currency, third series .....	2, 719, 042
Fractional currency, specimens .....	3, 955
Fractional currency, new issue .....	163
Fractional currency, specimens, new issue .....	2, 470
Two-year six per cent. notes .....	11, 883
Certificates of indebtedness—currency .....	43, 511
Certificates of indebtedness—coin .....	10, 798
Three per cent. certificates .....	234
Sixty days' six per cent. notes .....	39, 965
One-year six per cent. notes .....	2, 904
Two-year six per cent. notes .....	34, 261
Twenty-year Oregon war bonds .....	21, 047
Five-twenty coupon bonds, act February 25, 1862 .....	537
Five-twenty coupon bonds, first series, same act .....	59, 239
Five-twenty coupon bonds, second series, same act .....	49, 885
Five-twenty coupon bonds, third series, same act .....	63, 108
Five-twenty coupon bonds, fourth series, same act .....	24, 245
Five-twenty coupon bonds, act March 3, 1865 .....	160, 650
Five-twenty coupon bonds, act February 25, 1862 .....	5, 569
Five-twenty coupon bonds, act June 30, 1864 .....	58, 147
Five-twenty coupon bonds, act March 3, 1864 .....	6, 000
Five-twenty coupon bonds, act March 3, 1865 .....	74, 118
Five-twenty coupon bonds, same act, second series .....	2, 797
Five-twenty coupon bonds, loan of 1865, third series .....	53
Five twenty coupon bonds, act March 3, 1865, coupons at- tached .....	26, 500
Six per cent. coupon bonds, act March 3, 1863 .....	21, 112
Six per cent. coupon bonds, act March 3, 1865 .....	61, 439
Five per cent. ten-forty coupon bonds, March 3, 1864, re- demptions .....	1, 998
Coupon bonds, loan of 1861, acts July 17 and August 5, 1861 ..	30, 561
Coupon bonds, act March 31, 1848 .....	9, 624
Coupon bonds, consolidated loan of 1867 .....	390
Coupon bonds, act June 30, 1864 .....	53, 419
Coupon bonds, act July 17, 1861 .....	76, 040

	Pieces.
on bonds, consolidated loan of 1867, mutilated.....	6,959
on bonds, seven-thirties, currency interest.....	711,877
twenty registered bonds, act February 25, 1862.....	73,488
twenty registered bonds, act June 30, 1864.....	12,496
twenty registered bonds, act March 3, 1864.....	15,300
er cent. registered bonds, act March 3, 1863.....	29,394
er cent. registered bonds, acts of July 17 and August 5, 11.....	248
er cent. registered bonds, act of February 8, 1861.....	2
er cent. registered bonds, act of March 3, 1865.....	21,217
er cent. registered bonds, act of March 3, 1864.....	17,234
n-thirty registered certificates, loan of 1864.....	1,900
stered bonds of the Pacific railroad.....	7,999
stered bonds of the loan of 1868.....	47
stered bonds of the loan of 1867.....	1,682
n-thirty coupon notes, (exchanges).....	143
stered bonds, loan of 1848, (exchanges).....	167
er cent. coupon bonds, act June 22, 1860, (exchanges)...	715
er cent. coupon bonds, act June 14, 1858, (exchanges)...	3,819
er cent. coupon bonds, act February 8, 1861, (exchanges)...	2,908
er cent. coupon bonds, act March 3, 1864, (exchanges)...	128,463
on bonds, loan of 1863, March 3, (exchanges).....	41,232
twenty coupon bonds, act February 25, 1862, (exchanges)...	94,068
twenty coupon bonds, act June 30, 1864, (exchanges)...	12,728
on bonds, act of February 25, 1862—first issue, (ex- changes).....	735
on bonds, act of February 25, 1862—second series, (ex- changes).....	523
on bonds, loan of 1862, third series, (exchanges).....	415
on bonds, loan of 1862, fourth series, (exchanges).....	812
on bonds, loan of 1867, third series, (exchanges).....	29
on bonds, loan of 1867, third series, consols (exchanges)...	5,938
on bonds, act March 3, 1865, third series, consols, (ex- changes).....	5,107
on bonds, loan of 1865, second series, consols, (exchanges)	2,411
ury notes issued under act of December 3, 1865.....	88,156
forty coupon bonds, under act of March 3, 1864.....	151,147

Number of pieces destroyed statistically.....13,208,616

There have been destroyed statistically, in addition to the above, large  
bills of coupons and internal revenue stamps, in sheets and in strips,  
of which no account of the numbers of either has been kept. The de-  
struction account from the beginning stands thus:

Numbers of pieces statistically as above.....	13,208,616
Money, as per tables.....	554,566,390

<b>Total number of pieces destroyed.....</b>	<b>567,775,006</b>
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Amounts statistically, as per tables.....	\$1,970,092,173 00
Money, as per tables.....	1,778,552,956 06

<b>Total amount destroyed from the beginning....</b>	<b>3,748,645,129 06</b>
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Certificates of indebtedness—coin .....	10, 798
Three per cent. certificates .....	284
Sixty days' six per cent. notes .....	39, 965
One-year six per cent. notes .....	2, 904
Two-year six per cent. notes .....	34, 261
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Five-twenty coupon bonds, fourth series, same act .....	24, 245
Five-twenty coupon bonds, act March 3, 1865 .....	160, 650
Five-twenty coupon bonds, act February 25, 1862 .....	5, 569
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Five-twenty coupon bonds, act March 3, 1864 .....	6, 000
Five-twenty coupon bonds, act March 3, 1865 .....	74, 118
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Coupon bonds, consolidated loan of 1867 .....	390
Coupon bonds, act June 30, 1864 .....	53, 419
Coupon bonds, act July 17, 1861 .....	76, 040



	Pieces.
Coupon bonds, consolidated loan of 1867, mutilated.....	6,959
Coupon bonds, seven-thirties, currency interest.....	711,877
Five-twenty registered bonds, act February 25, 1862.....	73,488
Five-twenty registered bonds, act June 30, 1864.....	12,496
Five-twenty registered bonds, act March 3, 1864.....	15,300
Six per cent. registered bonds, act March 3, 1863.....	29,394
Six per cent. registered bonds, acts of July 17 and August 5, 1861.....	248
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Five per cent. registered bonds, act of March 3, 1864.....	17,234
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Six per cent. coupon bonds, act June 22, 1860, (exchanges).....	715
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Five per cent. coupon bonds, act March 3, 1864, (exchanges).....	128,463
Coupon bonds, loan of 1863, March 3, (exchanges).....	41,232
Five-twenty coupon bonds, act February 25, 1862, (exchanges).....	94,068
Five-twenty coupon bonds, act June 30, 1864, (exchanges).....	12,728
Coupon bonds, act of February 25, 1862—first issue, (exchanges).....	735
Coupon bonds, act of February 25, 1862—second series, (exchanges).....	523
Coupon bonds, loan of 1862, third series, (exchanges).....	415
Coupon bonds, loan of 1862, fourth series, (exchanges).....	812
Coupon bonds, loan of 1867, third series, (exchanges).....	29
Coupon bonds, loan of 1867, third series, consols (exchanges).....	5,938
Coupon bonds, act March 3, 1865, third series, consols, (exchanges).....	5,107
Coupon bonds, loan of 1865, second series, consols, (exchanges).....	2,411
Treasury notes issued under act of December 3, 1865.....	88,156
Ten-forty coupon bonds, under act of March 3, 1864.....	151,147

Number of pieces destroyed statistically..... 13,208,616

There have been destroyed statistically, in addition to the above, large numbers of coupons and internal revenue stamps, in sheets and in strips, of which no account of the numbers of either has been kept. The destruction account from the beginning stands thus:

By numbers of pieces statistically as above.....	13,208,616
As money, as per tables.....	554,566,390

Total number of pieces destroyed..... 567,775,006

By amounts statistically, as per tables.....	\$1,970,092,173 90
As money, as per tables.....	1,778,552,956 06

Total amount destroyed from the beginning.... 3,748,645,129 96

## DESTRUCTION ACCOUNT.

The following table exhibits the various kinds of paper that had been used as money, and the amount of each kind that has since been totally destroyed, including the whole time from the commencement of government paper being used as money in 1861 up to and including June 30, 1869. To which is added the statistical destructions:

Demand notes, receivable for customs.....	\$59,908,362 50
Legal-tender notes, greenbacks.....	234,123,201 10
One-year five per cent. notes.....	44,299,720 00
Two-year five per cent. notes.....	16,395,400 00
Two-year five per cent. coupon notes.....	149,957,500 00
Three-year six per cent. compound interest notes..	263,532,510 00
Fractional currency, first series.....	15,623,043 10
Fractional currency, second series.....	19,644,783 95
Fractional currency, third series.....	62,165,288 67
Gold certificates.....	329,303,700 00

Total amount of government paper destroyed as money.....	1,194,953,509 32
Total amount of government paper destroyed statistically.....	1,970,092,173 90
Amount of notes of national banks in liquidation destroyed.....	1,123,442 00
Certificates of indebtedness redeemed and canceled..	582,476,004 74

Total amount destroyed up to July 1, 1869..	3,748,645,129 96
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## REDEMPTION AND DESTRUCTION OF MONEYS AND SECURITIES FROM THE BEGINNING.

Moneys destroyed before July 1, 1868.....	\$993,059,703 53
Moneys destroyed within the fiscal year.....	201,773,417 31
Discount on same.....	120,388 48

1,194,953,509 32
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Broken national bank notes, before July 1, 1868.....	\$523,615 00
Broken national bank notes within the fiscal year.....	599,797 30
Discount on same.....	29 70
	1,123,442 00

Certificates of indebtedness, before July 1, 1868.....	582,470,808 30
Certificates of indebtedness within the fiscal year.....	5,196 44
	582,476,004 74

Statistical matter, before July 1, 1868.....	1,446,574,605 38
Statistical matter within the fiscal year.....	523,517,568 52
On hand July 1, 1869.....	1,970,092,173 90
	434,135 49

Total from the beginning.....	3,749,079,265 45
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*Cash Dr.*

United States notes and fractional currency.....	\$1, 195, 387, 644 81
Broken national bank notes.....	1, 123, 442 00
Certificates of indebtedness.....	582, 476, 004 74
Statistical matter.....	1, 970, 092, 173 90
<b>Total received for destruction.....</b>	<b>3, 749, 079, 265 45</b>

*Cash Cr.*

United States notes and fractional currency destroyed.....	\$1, 194, 833, 120 84
Discount on same.....	120, 388 48
Notes of broken national banks.....	1, 123, 412 30
Discount on the same.....	29 70
Certificates of indebtedness.....	582, 476, 004 74
Statistical destroyed before issue.....	1, 970, 092, 173 90
Balance to new account.....	434, 135 49
<b>Total destroyed and on hand to be destroyed..</b>	<b>3, 749, 079, 265 45</b>

POST OFFICE DEPARTMENT.

The receipts and expenditures for and on account of the Post Office Department for the fiscal year have been as follows, viz:

*Cash Dr.*

Balance brought forward from last year's account.....	\$931, 816 34
Received at Washington.....	\$169, 523 67
Received at New York.....	5, 429, 078 95
Received at Philadelphia.....	680, 545 28
Received at Boston.....	681, 940 08
Received at St. Louis.....	569, 093 21
Received at Charleston.....	279, 113 74
Received at San Francisco.....	1, 304, 888 81
Received at New Orleans.....	460, 905 59
Received at Denver.....	3, 658 66
Received at Cincinnati.....	99 15
Received at Pittsburg.....	1, 127 20
Received at Chicago.....	1, 012 66
Received at Mobile.....	1, 327 32
Received at Baltimore.....	39 67
Received at Santa Fé.....	496 45
Received at Portland, Oregon.....	25 00
Received at Nashville.....	743 42
Received at Springfield, Illinois.....	510 81
Received at Salem, Massachusetts.....	479 07
Received at Detroit.....	4, 016 58
Received at St. Paul.....	126 99
Received at Little Rock.....	976 91
Received at Cleveland.....	235 00
Received at New Berne.....	1, 326 75
Received at Raleigh.....	109 75
Received at Omaha.....	118 45

Brought forward.....		\$931, 816 34
Received at Boonville.....	\$324 20	
Received at Des Moines.....	1, 057 76	
		<hr/> 9, 592, 901 13
Total amount of balance from last year, and receipts of this year.....		<hr/> <hr/> 10, 524, 717 47

*Cash Cr.*

Warrants were issued on the various offices for the payments of the aggregate amounts as follows:

Treasurer of the United States, Washington.....	\$226, 340 66
Assistant treasurer, New York.....	5, 868, 564 72
Assistant treasurer, Philadelphia.....	658, 288 79
Assistant treasurer, Boston.....	741, 638 20
Assistant treasurer, St. Louis.....	512, 829 48
Assistant treasurer, Charleston.....	254, 439 77
Assistant treasurer, San Francisco.....	364, 251 65
Assistant treasurer, New Orleans.....	440, 584 71
Assistant treasurer, Denver.....	6, 893 81
Depositary, Cincinnati.....	674 82
Depositary, Chicago.....	4, 948 61
Depositary, Pittsburg.....	441 43
Depositary, Mobile.....	1, 146 01
Depositary, Olympia.....	18 00
Depositary, Baltimore.....	34 57
Depositary, Buffalo.....	229 66
First National Bank, Portland, Oregon.....	775 62
First National Bank, Nashville, Tennessee.....	1, 007 35
First National Bank, Richmond, Virginia.....	28 67
First National Bank, Knoxville, Tennessee.....	177 69
First National Bank, West Chester, Pennsylvania.....	45 00
First National Bank, Memphis, Tennessee.....	1 44
First National Bank, Dubuque, Iowa.....	58 84
First National Bank, Galveston, Texas.....	44 00
First National Bank, Burlington, Vermont.....	44 69
First National Bank, Concord, New Hampshire.....	20 00
Second National Bank, Detroit, Michigan.....	3, 938 29
Second National Bank, Leavenworth, Kansas.....	491 50
Merchants' National Bank, Little Rock, Arkansas.....	1, 376 84
Merchants' National Bank, Cleveland, Ohio.....	381 50
Merchants' National Bank, Savannah, Georgia.....	784 79
Merchants' National Bank, Point Pleasant, West Virginia.....	285 05
Raleigh National Bank, Raleigh, North Carolina.....	2, 133 19
San Antonio National Bank, San Antonio, Texas.....	104 00
Indianapolis National Bank, Indianapolis, Indiana.....	75 00
The National Bank of New Berne, New Berne, North Carolina.....	1, 151 49
Exchange National Bank of Norfolk, Norfolk, Virginia..	769 71

	<hr/> 9, 095, 019 55
Balance of cash on hand to new account.....	1, 429, 697 92
Total amount of payments and of balance to new account..	<hr/> <hr/> 10, 524, 717 47

## MONEYS DRAWN FROM THE TREASURY ON ACCOUNT OF THE POST OFFICE.

The following is a statement of moneys drawn from the treasury that were not receipts from the Post Office Department, but were appropriated for its use by Congress, under the several laws as specified, and the times and for the amounts as follows:

For preparing and publishing post office maps, act of March 30, 1868:

July 17, 1868, paid treasury warrant No. 787.....	\$10,000 00
December 5, 1868, paid treasury warrant No. 1527 .....	10,000 00

Total under act and for purpose as aforesaid..... \$20,000 00

For mail steamship service between San Francisco and Japan and China, acts of May 18, 1866, of February 18, 1867, and of March 30, 1868:

July 20, 1868, paid treasury warrant No. 802.....	\$83,333 34
October 7, 1868, paid treasury warrant No. 1242.....	83,333 33
January 5, 1869, paid treasury warrant No. 16.....	125,000 00
April 2, 1869, paid treasury warrant No. 420.....	125,000 00

Total under acts and for the purpose as aforesaid .... 416,666 67

• For compensation of such mail services as may be performed for the several departments of the government, as per act of March 3, 1847:

August 14, 1868, paid treasury warrant No. 1033 .....	\$300,000 00
January 5, 1869, paid treasury warrant No. 16.....	200,000 00

Total under the act and for the purpose as aforesaid .. 500,000 00

For payment and compensation for mail service performed for the two houses of Congress, and other departments and offices of the government, in the transportation of free matter by the Post Office Department, acts of March 3, 1861, and of March 3, 1867:

August 14, 1868, paid treasury warrant No. 1033.....	1,100,000 00
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For the overland mail transportation between Atchison and Folsom, and for marine mail transportation between New York and California, per act of May 18, 1866, February 18, 1867, and July 25, 1868:

September 23, 1868, paid treasury warrant No. 1184 .....	\$225,000 00
December 30, 1868, paid treasury warrant No. 1637 .....	225,000 00

April 13, 1869, paid treasury warrant No. 477.....	\$185,377 65	
April 17, 1869, paid treasury warrant No. 504.....	20,749 11	
Total under the acts and for the purposes as aforesaid..		\$656,126 76
For mail ship service between the United States and Brazil, act July 28, 1866:		
September 24, 1868, paid treasury warrant No. 1186 .....	\$12,500 00	
March 10, 1869, paid treasury warrant No. 319.....	75,000 00	
June 28, 1869, paid treasury warrant No. 834.....	37,500 00	
Total under the act and for the purpose as aforesaid..		125,000 00
For steamship service between San Francisco and the Sandwich Islands, act March 30, 1868:		
October 15, 1868, paid treasury warrant No. 1275 .....	\$18,750 00	
January 14, 1869, paid treasury warrant No. 49.....	18,750 00	
April 14, 1869, paid treasury warrant No. 473.....	18,750 00	
Total under the act and for the purpose as aforesaid ..		56,250 00
For supplying the deficiency in the revenue of the Post Office Department, acts of June 15, 1860, March 2, 1861, and March 16, 1864:		
January 5, 1869, paid treasury warrant No. 16.....	\$400,000 00	
April 2, 1869, paid treasury warrant No. 420.....	741,466 85	
April 17, 1869, paid treasury warrant No. 504.....	1,000,000 00	
February 8, 1869, paid treasury warrant No. 155.....	400,000 00	
Total under the acts, and for the purpose as aforesaid..		2,541,466 85
Total amount received from the United States government.		<u>5,415,510 28</u>

The total amount last above-named, as received from the government of the United States, for various services performed for it by the Post Office Department, is a part of the receipts, and also of the expenditures, as stated in the foregoing tables.

In addition to the amounts of receipts into the treasury, as before stated, there has also been received by postmasters on account of letter postage, newspapers and pamphlets, registered letters, emoluments, stamps, dead letters, internal revenue, fines and miscellaneous receipts; and there has been paid out again, on the orders of the Post Office Department, drawn on postmasters, for compensation to postmasters, ship, steamboat, and way letters, transportation of mails, wrapping paper,

office furniture, advertising, mail bags, mail-bag locks, blanks, agents and assistants, stamps, mail depredations and special agents, clerks for office, postage stamps and stamped envelopes, letter carriers, dead letters, foreign mails and miscellaneous, a like amount in the aggregate, and in the quarters of the fiscal year ending with June 30, 1869, as follows:

For the quarter ending with September 30, 1868.....	\$3,457,383 66
For the quarter ending with December 31, 1868.....	3,595,179 20
For the quarter ending with March 31, 1869.....	3,495,312 42
For the quarter ending with June 30, 1869.....	3,722,082 74

Total of such receipts and expenditures.....	<u>14,269,958 02</u>
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The account stated fully would then stand as follows :

*Cash Dr.*

Balance from last fiscal year.....	\$931,816 34
Paid into the treasury by postmasters and others.....	4,177,390 85
From the United States, under various laws.....	5,415,510 28
To Post Office Department receipts.....	<u>14,269,958 02</u>

Total amount of balance and receipts.....	<u>24,794,675 49</u>
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*Cash Cr.*

Paid 5,704 post office warrants.....	\$3,679,509 27
Paid 18 treasury warrants.....	5,415,510 28
Post Office Department payments.....	<u>14,269,958 02</u>
Balance to new account.....	<u>1,429,697 92</u>

Total amount of payments, and balance on hand...	<u>24,794,675 49</u>
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#### MONEY LETTERS FROM POSTMASTERS

The Post Office Department has issued instructions to all postmasters, requiring of them to receive all defaced and worn-out fractional currency, and to forward it in sums of three dollars or more to the treasury of the United States.

These instructions are, to some extent, observed by some of the postmasters in various parts of the country. Their communications come free when addressed to this office, but it not unfrequently happens that the letters in which such currency is remitted are lost on the way.

The fear of such loss deters many postmasters from making such remittances. Some incur the expense of registering such letters. But one such registered letter has been known to be lost, and that one was traced to the post office in this city.

When these money packages are lost the loss falls upon the postmaster who makes the remittance. When postmasters register such letters it is at their own individual expense.

All postmasters are obliged by law to receive this mutilated currency, and are required by departmental regulations to remit it to this office, at their own risk or expense, and without any compensation therefor.

The disinclination to incur the expense in the one case, and the fear of loss in the other, deter many postmasters from making these remit-

tances, and so the mutilated and worn-out currency remains in their neighborhood, to the great annoyance of such as are obliged to use it.

As it is desirable that this undesirable currency should be withdrawn from circulation, it is recommended, in order to facilitate its return to the treasury without expense and with less risk to the postmasters, that Congress be asked to so amend the law as to permit all postmasters, without charge, to register all letters containing such remittances to this office; and that the return letters from this office be, in like manner, registered at the post office in this city, when officially certified by the postmaster making the remittance or the Treasurer of the United States, to contain mutilated currency to, or new currency in return therefor from, the treasury.

The fortieth Congress, near the close of its last session, passed an act to restrain and regulate the franking privilege. In this act it is declared that it shall not be lawful for any person entitled by law to the franking privilege to exercise said privilege otherwise than by his autograph signature upon the matter franked. The "franking privilege" has been construed to apply to the signature to the certificates that the matter contained in a package is on "official business."

It will be seen, on inspection of another part of this report, that nearly a hundred thousand letters, exclusive of books and blanks, were sent by mail during the last fiscal year from this office, all requiring, under this ruling, the autographic signature of the officer sending them.

It was soon found that in this, as well as in many other offices, this would require and waste the whole time of the principal officer to execute, leaving him no time to attend to the important official duties of his office.

Congress made appropriations and there was paid to the Post Office Department, within the fiscal year, out of the treasury one million six hundred thousand dollars for transporting mail matter for the two Houses of Congress and other departments and officers of the government.

The transportation of all official matter received or sent through the mail from this, as well as the other offices of the government, is paid for under these appropriations and by these payments to the Post Office Department.

It is hard to conceive how an official duty, forced upon an officer by law, like the signing of a certificate on an official letter, that it is on "official business," can be tortured to be a *privilege*.

A *fac-simile* of my official signature seems to still answer very well on a thousand-dollar "greenback" note, but under this law it is not good to a certificate that saves the affixing of a three-cent postage stamp; and then the abuses, if there were any, are not cured, for the autographic signatures are necessarily now placed upon the envelopes just as the printed ones were formerly, in advance of their use. High officers of the government, receiving large salaries, are, by this construction of the law, compelled to waste their time in the profitless and unintellectual employment of signing their names to three-cent postage certificates. The government can't afford this. The thing don't pay. It is believed that the loss to the government of the useful services of officials is a hundred-fold greater than that occasioned by any abuse that may have existed, and which the law seeks to remedy.



## NATIONAL BANKS.

At the date of the last annual report the number of national banks that had deposited United States securities preliminary to their organization, was..... 1,682  
 Number so organized during the fiscal year..... 10

Whole number of banks organized up to and including June 30, 1869 ..... 1,692

The whole number of banks having securities in custody of this office for their circulating notes, and that have paid duties to the treasury, was, on the 30th June, 1869 ..... 1,661  
 Failed prior to June 30, 1868—money realized from sales of stocks. 10  
 Withdrawn, having no circulation ..... 12  
 Failed before June 30, 1868; securities, in part, still held..... 3  
 Failed in last fiscal year; securities, in part, still held ..... 1  
 Withdrawn, and money to redeem circulation deposited, prior to June 30, 1868..... 3  
 Withdrawn, and money to redeem circulation deposited, in fiscal year ..... 2

Whole number of banks organized from the beginning.... 1,692

## NEW NATIONAL BANKS ORGANIZED.

The ten new banks made their first deposits of securities in the order following, viz :

First National Bank of Mankato, Minnesota.  
 Pacific National Bank of Council Bluffs, Iowa.  
 First National Bank of Sharon, Pennsylvania.  
 Farmers' National Bank of Bangor, Maine.  
 First National Bank of Faribault, Minnesota.  
 First National Bank of Hillsborough, New Hampshire.  
 Ohio National Bank of Cleveland, Ohio.  
 First National Bank of Austin, Minnesota.  
 Union Square National Bank of New York, New York.  
 First National Bank of Murfreesboro', Tennessee.

## NATIONAL BANKS THAT HAVE FAILED.

In 1865, First National Bank of Attica, New York..... 1  
 In 1866, Merchants' National Bank of Washington, D. C..... 1  
 In 1866, Venango National Bank of Franklin, Pennsylvania..... 1  
 — 2  
 In 1867, First National Bank of Medina, New York..... 1  
 In 1867, Tennessee National Bank of Memphis, Tennessee..... 1  
 In 1867, First National Bank of Newton, Newtonville, Massachusetts..... 1  
 In 1867, First National Bank of New Orleans, Louisiana ..... 1  
 In 1867, First National Bank of Selma, Alabama..... 1  
 — 5  
 In 1868, National Unadilla Bank of Unadilla, New York..... 1  
 In 1868, Farmers' and Citizens' National Bank of Brooklyn, New York..... 1

In 1868, Croton National Bank of New York, New York.....	1
In 1868, First National Bank of Bethel, Connecticut.....	1
In 1868, First National Bank of Keokuk, Iowa.....	1
In 1868, National Bank of Vicksburg, Mississippi.....	1
	— 6
In 1869, First National Bank of Rockford, Illinois.....	1
	—
Total number of banks that have failed from the beginning..	15
	==

N. B.—The circulating notes of the First National Bank of Newton, Newtonville, Massachusetts, have been assumed by the National Security Bank of Boston, Massachusetts, which has reimbursed the United States for former redemptions.

**NATIONAL BANKS THAT HAVE VOLUNTARILY RETIRED AND DEPOSITED FUNDS IN THE TREASURY TO REDEEM THEIR CIRCULATION.**

1865, October 13—First National Bank of Columbia, Missouri.....	1
1866, August 1—First National Bank of Carondelet, Missouri.....	1
1868, June 16—Farmers' National Bank of Waukesha, Wisconsin... 1	1
1869, April 20—First National Bank of Jackson, Mississippi.....	1
1869, May 25—First National Bank of Cedarburg, Wisconsin.....	1
	—
Total that have retired and deposited funds .....	5
	==

**NATIONAL BANKS HAVING NO CIRCULATION THAT HAVE WITHDRAWN SECURITIES.**

The number of national banks having no circulating notes that had withdrawn their securities at the commencement of the fiscal year, was twelve; and none have been added to the list since June 30, 1863. Total retired to June 30, 1869, seventeen.

**NATIONAL BANKS THAT HAVE NEVER HAD CIRCULATING NOTES THAT HAVE WITHDRAWN THEIR SECURITIES FROM THE CUSTODY OF THE TREASURER.**

First National Bank of Penn Yan, New York.  
 Second National Bank of Ottumwa, Iowa.  
 Second National Bank of Canton, Ohio.  
 Berkshire National Bank of Adams, Massachusetts.  
 First National Bank of Lansing, Michigan.  
 First National Bank of Utica, New York, (since reorganized.)  
 First National Bank of Norwich, Connecticut, (since reorganized.)  
 First National Bank of Flemington, New Jersey, (no comptroller's certificate.)  
 National Bank of Crawford County, Meadville, Pennsylvania.  
 City National Bank of Savannah, Georgia.  
 Pittston National Bank of Pittston, Pennsylvania.

**NATIONAL BANKS THAT HAVE FAILED OR THAT HAVE VOLUNTARILY RETIRED, WITH DATES OF FAILURE OR OF RETIREMENT, AND AMOUNT OF OUTSTANDING CIRCULATING NOTES.**

First National Bank of Columbia, Missouri, voluntary, October 13, 1865 .....	\$11, 990
First National Bank of Carondelet, Missouri, voluntary, August 1, 1866.....	25, 500

Farmers' National Bank of Waukesha, Wisconsin, voluntary, June 16, 1868 .....	\$90,000
First National Bank of Jackson, Mississippi, voluntary, April 20, 1869 .....	40,500
First National Bank of Cedarburg, Wisconsin, voluntary, May 25, 1869 .....	72,000
First National Bank of Attica, New York, failed, April 14, 1865 .....	44,000
Venango National Bank of Franklin, Pennsylvania, failed, May 5, 1866 .....	85,000
Merchants' National Bank of Washington, D. C., failed, May 8, 1866 .....	180,000
First National Bank of Medina, New York, failed, March 9, 1867 .....	40,000
Tennessee National Bank of Memphis, Tennessee, failed, March 21, 1867 .....	90,000
First National Bank of Selma, Alabama, failed, April 30, 1867 .....	85,000
First National Bank of New Orleans, Louisiana, failed, May 20, 1867 .....	180,000
National Unadilla Bank of Unadilla, New York, failed, August 6, 1867 .....	100,000
Farmers and Citizens' National Bank of Brooklyn, New York, failed, September 5, 1867 .....	253,900
Croton National Bank of New York, New York, failed, October 7, 1867 .....	180,000
First National Bank of Keokuk, Iowa, failed, March 6, 1868 .....	90,000
First National Bank of Bethel, Connecticut, failed, March 6, 1868 .....	26,300
National Bank of Vicksburg, Mississippi, failed, April 24, 1868 .....	25,500
First National Bank of Rockford, Illinois, failed, March 19, 1869 .....	45,000
Total circulation at closing .....	<u>1,664,690</u>

#### REDEMPTION OF CIRCULATING NOTES OF NATIONAL BANKS IN LIQUIDATION.

Names of banks.	Redeemed in fiscal year.	Total redemptions.
First National Bank of Cedarburg, Wisconsin .....	\$5,745 00	\$20,634 50
First National Bank of Carondelet, Missouri .....	2,730 00	8,670 00
First National Bank of Columbia, Missouri .....	8,239 50	38,228 00
First National Bank of Attica, New York .....	9,869 75	32,912 75
First National Bank of Medina, New York .....	47,253 75	144,511 00
First National Bank of New Orleans, Louisiana .....	54,184 50	62,342 25
First National Bank of Keokuk, Iowa .....	14,145 00	14,255 00
First National Bank of Bethel, Connecticut .....	6,730 00	6,730 00
First National Bank of Rockford, Illinois .....	24,194 75	64,377 50
First National Bank of Selma, Alabama .....	7 50	7 50
First National Bank of Jackson, Mississippi .....	29,948 00	29,948 00
Farmers' National Bank of Waukesha, Wisconsin .....	80,349 85	191,923 50
Farmers and Citizens' National Bank of Brooklyn, New York .....	22,359 75	74,219 00
Tennessee National Bank of Memphis, Tennessee .....	28,619 00	82,157 50
National Unadilla Bank of Unadilla, New York .....	15,804 50	74,798 50
Venango National Bank of Franklin, Pennsylvania .....	37,135 00	150,489 75
Merchants' National Bank of Washington, District of Columbia .....	58,484 30	142,407 55
Croton National Bank of New York City, New York .....	12,609 25	12,609 25
National Bank of Vicksburg, Mississippi .....		
Total .....	458,409 40	1,151,221 55

**DEPOSITS MADE AND BALANCES REMAINING TO CREDIT OF NATIONAL  
BANKS IN LIQUIDATION.**

Names of banks.	Deposits to re- deem notes.	Balance re- maining.
First National Bank of Cedarburg, Wisconsin .....	\$72,000 00	\$72,000 00
First National Bank of Carondelet, Missouri .....	25,500 00	4,865 50
First National Bank of Columbia, Missouri .....	11,900 00	3,320 00
First National Bank of Attica, New York .....	44,000 00	5,772 00
First National Bank of Medina, New York* .....	32,154 45	.....
First National Bank of New Orleans, Louisiana .....	180,000 00	35,489 00
First National Bank of Keokuk, Iowa .....	90,000 00	27,657 75
First National Bank of Bethel, Connecticut .....	26,300 00	12,045 00
First National Bank of Rockford, Illinois .....	17,475 00	10,745 00
First National Bank of Selma, Alabama .....	85,000 00	20,622 50
First National Bank of Jackson, Mississippi .....	40,500 00	40,492 50
Farmers' National Bank of Waukesha, Wisconsin .....	90,000 00	60,052 00
Farmers and Citizens' National Bank of Brooklyn, New York .....	209,062 70	18,039 20
Tennessee National Bank of Memphis, Tennessee .....	90,000 00	15,781 00
National Unadilla Bank of Unadilla, New York .....	100,000 00	17,842 50
Venango National Bank of Franklin, Pennsylvania .....	85,000 00	10,201 50
Merchants' National Bank of Washington, District of Columbia .....	180,000 00	29,510 25
Croton National Bank of New York, New York .....	180,000 00	37,592 45
National Bank of Vicksburg, Mississippi .....	25,500 00	12,890 75
<b>Totals .....</b>	<b>1,585,322 15</b>	<b>434,918 90</b>

\* First National Bank of Medina, New York, is overdrawn \$758 30.

**CIRCULATING NOTES OF NATIONAL BANKS IN LIQUIDATION OUTSTAND-  
ING.**

First National Bank of Cedarburg, Wisconsin .....	\$72,000 00
First National Bank of Carondelet, Missouri .....	4,865 50
First National Bank of Columbia, Missouri .....	3,320 00
First National Bank of Attica, New York .....	5,772 00
First National Bank of Medina, New York .....	7,087 25
First National Bank of New Orleans, Louisiana .....	35,489 00
First National Bank of Keokuk, Iowa .....	27,657 75
First National Bank of Bethel, Connecticut .....	12,045 00
First National Bank of Rockford, Illinois .....	38,270 00
First National Bank of Selma, Alabama .....	20,622 50
First National Bank of Jackson, Mississippi .....	40,492 50
Farmers' National Bank of Waukesha, Wisconsin .....	60,052 00
Farmers and Citizens' National Bank of Brooklyn, New York .....	61,976 50
Tennessee National Bank of Memphis, Tennessee .....	15,781 00
National Unadilla Bank of Unadilla, New York .....	17,842 50
Venango National Bank of Franklin, Pennsylvania .....	10,201 50
Merchants' National Bank of Washington, D. C. ....	29,510 25
Croton National Bank of New York, New York .....	37,592 45
National Bank of Vicksburg, Mississippi .....	12,890 75
<b>Total outstanding .....</b>	<b>513,468 45</b>

Total circulation, \$1,664 690; redeemed, \$1,151,221 55; outstanding, \$513,468 45.

## NOTES OF NATIONAL BANKS IN LIQUIDATION DESTROYED.

	Amount paid.	Discounts.	Totals.
One dollar.....	\$11,631 30	\$1 80	\$11,633 00
Two dollars.....	8,723 60	40	8,724 00
Five dollars.....	627,053 00	22 00	627,075 00
Ten dollars.....	276,146 50	3 50	276,150 00
Twenty dollars.....	149,018 00	2 00	149,020 00
Fifty dollars.....	31,050 00		31,050 00
One hundred dollars.....	19,800 00		19,800 00
Total.....	1,123,412 30	29 70	1,123,442 00

These redemptions were made of the amounts, at the times, and for the respective national banks in liquidation as follows, to wit:

First National Bank of Attica, New York, to July 1, 1868.....	\$26,774 75	
Within the year.....	10,753 25	
		\$37,528 00
First National Bank of Carondelet, Missouri, to July 1, 1868.....	11,694 50	
Within the year.....	8,480 00	
		20,174 50
First National Bank of Columbia, Missouri, to July 1, 1868.....	4,230 00	
Within the year.....	4,220 00	
		8,450 00
First National Bank of Medina, New York, to July 1, 1868.....	18,878 50	
Within the year.....	13,634 25	
		32,512 75
First National Bank of Newton, Massachusetts, to July 1, 1868.....	2,198 25	
Within the year.....		
		2,198 25
First National Bank of New Orleans, Louisiana, to July 1, 1868.....	64,224 50	
Within the year.....	77,701 50	
		141,926 00
First National Bank of Selma, Alabama, to July 1, 1868.....	30,272 75	
Within the year.....	32,879 75	
		63,152 50
First National Bank of Keokuk, Iowa, to July 1, 1868.....	20 00	
Within the year.....	59,747 25	
		59,767 25
Merchants' National Bank of Washington, District of Columbia, to July 1, 1868.....	98,284 75	
Within the year.....	50,075 00	
		148,359 75
Venango National Bank of Franklin, Pennsylvania, to July 1, 1868.....	50,694 00	
Within the year.....	23,344 50	
		74,038 50
Farmers and Citizens' National Bank of Brooklyn, New York, to July 1, 1868.....	78,717 00	
Within the year.....	108,836 50	
		187,553 50

Croton National Bank of New York, New York, to July 1, 1868.....	\$57,515 40	
Within the year.....	81,737 15	
	<hr/>	\$139,252 55
Tennessee National Bank of Memphis, Tennes- see, to July 1, 1868.....	39,489 25	
Within the year.....	33,729 75	
	<hr/>	73,219 00
Unadilla National Bank of Unadilla, New York, to July 1, 1868.....	40,608 50	
Within the year.....	40,549 00	
	<hr/>	81,157 50
National Bank of Vicksburg, Mississippi, to July 1, 1868.....	.....	
Within the year.....	11,709 25	
	<hr/>	11,709 25
Farmers' National Bank of Waukesha, Wis- consin, to July 1, 1868.....	.....	
Within the year.....	24,758 00	
	<hr/>	24,758 00
First National Bank of Bethel, Connecticut, to July 1, 1868.....	.....	
Within the year.....	13,605 00	
	<hr/>	13,605 00
First National Bank of Rockford, Illinois, to July 1, 1868.....	.....	
Within the year.....	4,050 00	
	<hr/>	4,050 00
Discount on the above redemptions.....		29 70
Total redemptions from the beginning.....		<hr/> <hr/> 1,123,442 00
Amount redeemed before July 1, 1868.....	\$523,602 15	
Discount on the same.....	12 85	
	<hr/>	\$523,615 00
Amount redeemed within the year.....	599,810 15	
Discount on the same.....	16,85	
	<hr/>	599,827 00
Total amount destroyed from the beginning.....		<hr/> <hr/> 1,123,442 00

## BONDS HELD IN PLEDGE FOR THE PAYMENT OF PUBLIC MONEYS.

United States stocks so held June 30, 1868..	\$38,487,950	
Personal bond.....	30,000	
Total securities held June 30, 1868.....		\$38,517,950
Securities withdrawn during fiscal year.....	15,831,100	
Securities deposited during the same time...	2,766,500	
	<hr/>	
Decrease during the fiscal year.....		13,064,600
Securities so held on the 30th of June, 1869.....		<hr/> <hr/> 25,453,350

Every one of the ninety-six national banks that have, during the fiscal year, ceased to be depositaries of the public moneys of the United States and fiscal agents of the government, have paid over their balances promptly, without a single exception.

There are yet unsettled claims for public moneys standing against the Venango National Bank of Franklin, Pennsylvania, and the First National Bank of Selma, Alabama.

#### CLASSIFICATION OF SECURITIES HELD IN TRUST.

Pledged for the redemption of circulating notes:

Registered coin-interest six per cents.....	\$236, 647, 150
Coupon coin-interest six per cents.....	20, 200
Registered coin-interest five per cents.....	87, 651, 250
Coupon coin-interest five per cents.....	10, 000
Registered currency-interest six per cents..	18, 523, 000

Total to secure circulating notes..... \$342, 851, 600

Pledged for the prompt payment of public moneys:

Registered coin-interest six per cents....	\$16, 877, 350
Coupon coin-interest six per cents.....	1, 918, 300
Registered coin-interest five per cents....	3, 880, 950
Coupon coin-interest five per cents.....	1, 442, 750
Registered currency-interest six per cents..	1, 304, 000
One personal bond.....	30, 000

Total to secure public moneys..... 25, 453, 350

Total securities held in trust for national banks..... 368, 304, 950

#### SECURITIES HELD IN TRUST FOR NATIONAL BANKS.

To assure the redemption of their circulating notes:

United States stocks at date of last report, June 30, 1868.	\$341, 495, 900
Deposited in fiscal year.....	\$16, 596, 250
Withdrawn in fiscal year.....	15, 240, 550
	<u>1, 355, 700</u>

Amount held June 30, 1869..... 342, 851, 600

To assure the payment of government deposits:

United States stocks.....	\$25, 423, 350
A personal bond.....	30, 000

Total for safe-keeping of public moneys..... 25, 453, 350

Total amount held in trust for national banks..... 368, 304, 950

#### NATIONAL BANK DEPOSITARIES.

The number as stated in last report was.....	370
There were discontinued during the year.....	96
There were designated during the year.....	2
	<u>94</u>

Number of depositary banks June 30, 1869..... 276

**INTEREST PAID TO NATIONAL BANKS ON STOCKS HELD FOR THEM IN TRUST.**

Interest on coupon bonds has been paid to national banks, during the year, by three hundred and ninety-six drafts for coin, amounting to.....	\$255, 741 00
Interest on registered stocks has been drawn, on such stocks held by the Treasurer in trust for national banks, by the various banks entitled to receive the same, at the various offices at which it was, at their own request, made payable, during the fiscal year, amounting in the aggregate to.....	21, 419, 114 67
<b>Total amount paid.....</b>	<b><u>21, 674, 855 67</u></b>

**NATIONAL BANK DEPOSITARIES.**

The business transactions between the treasury of the United States and the several national banks that have been designated as depositaries of the public moneys and financial agents of the government have been, during the fiscal year, as follows:

Balance brought from last year's account.....	\$23, 057, 167 07
Receipts during the fiscal year.....	115, 371, 786 80
<b>Total balance and receipts.....</b>	<b><u>138, 428, 953 87</u></b>
 Payments during the fiscal year.....	 \$129, 553, 812 14
Balances due the United States.....	8, 875, 141 73
<b>Total payments and balance to new account.....</b>	<b><u>138, 428, 953 87</u></b>

All these collections have been promptly paid as required, in the ways, in the manner, and at the points, as directed by this office; and in most cases without any expense to the government, as appears by the following statement:

Through expresses at government expense.....	\$15, 371, 266 61
Without expense to the government.....	114, 182, 545 53
<b>Total payments during the year.....</b>	<b><u>129, 553, 812 14</u></b>

The foregoing statements show that while these banks had deposited in the treasury of the United States, to insure the prompt payment of the moneys belonging to the government, stocks of the United States, of the par value of \$25,423,350, the government deposits were only \$8,875,141 73. The securities at their market value being more than three to one of the amount of deposits.



## DUTY COLLECTED FROM NATIONAL BANKS.

The semi-annual duty paid to the Treasurer by national banks, during the year preceding January 1, 1869, is as follows:

For the term of six months preceding July 1, 1868:

On circulation.....	\$1,476,116 76	
On deposits.....	1,323,878 31	
On capital.....	149,358 80	
Total.....	2,949,353 87	
Less amount uncollected from failed banks.....	476 08	\$2,948,877 79

For the term of six months preceding January, 1869:

On circulation.....	\$1,479,277 84	
On deposits.....	1,333,357 60	
On capital.....	149,767 41	
		2,962,402 85

Total amount of duties for the year..... 5,911,280 64

The unpaid duty of banks in liquidation at the beginning of the year was .....	\$10,767 20
There was collected of this, during the year.....	7,432 72

Amount of duty due and remaining unpaid..... 3,334 48

## EXCESS OF DUTIES PAID, REFUNDED.

Claims of excess of duties paid by banks have been audited and paid, in the last fiscal year, under a resolution in relation to national banking associations, approved March 2, 1867, as follows, to wit:

For six months preceding July 1, 1865.....	\$169 27
For six months preceding January 1, 1866.....	346 78
For six months preceding January 1, 1869.....	172 66
	688 71

The preceding duties were repaid on:

Undivided profits.....	\$516 05
Capital.....	172 66
	688 71

The total receipts for duty in the year preceding January 1, 1869, were .....	\$5,911,280 64
Less amount refunded in fiscal year.....	688 71

Net amount for the year.....	\$5,910,591 93
Net duty for preceding year.....	5,766,082 12

Increase of duty this year over last year.....	144,509 81
Increase of duty for the year preceding the last.....	167,651 59

Increase for the last two years..... 312,161 40

## ENFORCEMENT OF THE PAYMENT OF DUTIES FROM DELINQUENT NATIONAL BANKS.

The act entitled "An act to provide a national currency secured by a pledge of United States bonds, and to provide for the circulation and redemption thereof," passed June 3, 1864, declares, in section 41, that in lieu of all existing taxes, every association shall pay to the Treasurer of the United States, in the months of January and July, a duty of one-half of one per centum each half year, from and after the first day of January, eighteen hundred and sixty-four, upon the average amount of its notes in circulation, and a duty of one-quarter of one per centum each half year upon the average amount of its deposits, and a duty of one-quarter of one per centum each half year, as aforesaid, on the average amount of its capital stock beyond the amount invested in United States bonds; and in case of default in the payment thereof by any association, the duties aforesaid may be collected in the manner provided for the collection of United States duties of other corporations, or the Treasurer may reserve the amount of said duties out of the interest, as it may become due on the bonds deposited with him by such defaulting associations. And it shall be the duty of each association, within ten days from the first days of January and July in each year, to make a return, under the oath of its president or cashier, to the Treasurer of the United States, in such form as he may prescribe, of the average amount of its notes in circulation, and of the average amount of its deposits, and of the average amount of its capital stock beyond the amount invested in United States bonds, for the six months next preceding said days of January and July as aforesaid, and in default of such return, and for each default thereof, each defaulting association shall forfeit and pay to the United States the sum of two hundred dollars, to be collected either out of the interest as it may become due such association on the bonds deposited with the Treasurer, or, at his option, in the manner in which penalties are to be collected of other corporations under the laws of the United States; and in case of such default the amount of the duties to be paid by such association shall be assessed upon the amount of notes delivered to such association by the Comptroller of the Currency, and upon the highest amount of its deposits and capital stock, to be ascertained in such other manner as the Treasurer may deem best.

It will be seen that while there is no difficulty in obtaining from the office of the Comptroller of the Currency all the necessary information by which a proper assessment can be made, and that, too, so that the rates will be high enough to make the extra assessment of itself a pretty severe penalty and enough to prevent the recurrence of the neglect; yet, there is a penalty of two hundred dollars imposed by the law for a neglect on the part of any bank to make a proper return in the proper time; while for the neglect or refusal, on the part of any bank that may have made the return, to *pay the duty* upon such return, there is *no available penalty*. The only practical way, under the law, in such cases is, to retain the interest due the defaulting bank on its stocks deposited with the Treasurer.

Now it so happens that the banks are, by law, allowed ten days from the first days of January and July in which to make their returns, and that much of the interest falls due, and *is paid*, on these very days. Most of the remainder of the interest falls due four months later, to wit, on the first days of May and November. Thus, the remedy or the coercive power to collect the duties is put off either for four or for six months, as

the interest may become due on the stocks of such defaulting banks; and the government is in the mean time wrongfully kept out of its dues.

A very few, but the number may grow larger, unlike the great mass of the banks, seem to care more for the money they may make by retaining the dues of the government for four or six months, than they do for their reputations, and avail themselves of this oversight in the law to defraud the United States. Such banks make their returns regularly, for there is a penalty for the neglect to do so; but, they neglect to *pay the duty* within the month, as required by the law, because it is their interest not to pay, and because there is no penalty *for that neglect*.

The forty-first section of the national bank act should, in order to be effective, be so amended as to change the penalty from the non-essential part, for not making a report, to the very important one of enforcing the prompt payment of the duty to the government.

The various modes for the collection of taxes, in their best forms, are more or less offensive to the parties taxed. The process for their assessment and collection should, therefore, be the most simple in form, and the least offensive and vexatious possible to the tax-payers.

It is believed that the national banks are unnecessarily harassed in the matter of the payment of their dues to the government. They are called upon semi-annually by this office to pay one-half of one per cent. on their "circulation," and one-quarter of one per cent. each on their "deposits" and on their "capital stock," all under the head of "duty." The collections from the three sources named as "duty," during the fiscal year ending with June 30, 1869, amounted in the aggregate to five million nine hundred and eleven thousand two hundred and eighty dollars and sixty-four cents, (\$5,911,280 64.) This large amount was paid into the treasury without any expense for its collection to the banks or to the government.

The national banks are also required to pay to the Commissioner of Internal Revenue a special tax of two dollars upon every thousand dollars of capital stocks, and a tax of five per cent. on all dividends, and five per cent. on all undistributed sums, or sums made or added during the year to their surplus or contingent funds.

With all the investigation that has so far been had, no accurate result could be arrived at as to the aggregate amount so collected from the national banks by the Commissioner of Internal Revenue on the three items mentioned. The collections from national banks are included in the accounts as kept, with these same items of taxes and various other items of taxes, that have been collected from banks, bankers, trust companies, savings institutions, or of any fire, marine, life, or inland insurance companies.

Enough has, however, been ascertained to warrant the conclusion that the gross amount of taxes so collected by the Commissioner of Internal Revenue from all the national banks does not exceed one-half the amount collected by the Treasurer as duty from these same banks.

Now it is submitted, whether it would not be better to have the statutes so amended as to make all these collections semi-annually, and to give the collection of the whole six items of *tax* and of *duty* from all national banks, entirely and exclusively, either to the Commissioner of Internal Revenue or to the Treasurer of the United States.

In the last annual statement from this office the fact was stated that one hundred and fifty-seven of the national banks had within that fiscal year failed to comply with the provisions of the twenty-fifth section of the act entitled "An act to provide a national currency," passed June 8, 1864.

This act makes it the duty of every bank organized under it, which has bonds deposited in the office of the Treasurer of the United States, once, or oftener, in each fiscal year, to examine and compare the bonds so deposited with the books of the Comptroller and the accounts of the association; and if found correct, to execute to the Treasurer a certificate setting forth that and other facts. Within this fiscal year only eleven hundred and thirty-four of the banks have caused this examination to be made, and five hundred and twenty-seven have ignored this duty, and plain provision of law. It thus appears that the number of banks that have failed to comply with the law in this regard is more than triple this year that it was last year. At this rate the law will in a few years be entirely disregarded by all the banks. As the law is a salutary one, essential to the safety of the banks as well as the treasury, it is most respectfully suggested that the law may be so amended as to compel a compliance with the provisions of the act, and a performance of the duty. A fine of fifty or a hundred dollars, to be withheld from the interest on their stocks held by the Treasurer, would force compliance and remedy the evil.

#### PERSONNEL OF THE OFFICE.

The number of appointments during the year was.....	40
Reduced by resignation.....	24
Reduced by removals.....	7
Reduced by transfers.....	3
Reduced by decease.....	5

Total reduction.....	39
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Increase during the year.....	1
In the office at the commencement of the year.....	278
In the office at the close of the year, June 30, 1869.....	279

The amount disbursed for salaries to the above number of employés during the year was as follows, to wit:

On regular roll.....	\$131, 273 35
On lapsed-salary roll.....	31, 499 59
On temporary roll.....	168, 502 47

Total payments during the year.....	331, 275 41
Less income tax retained from salaries.....	3, 861 15

Net amount paid for salaries.....	327, 414 26
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Another year's experience, and mature reflection thereon, have more fully satisfied my mind of the truth of all that I have heretofore urged in regard to the inadequacy of the pay of the employés of this office. Although the arguments urged may perhaps apply with more strength and force to an office like this, where nearly all the employés are in the daily habit of handling large amounts of money, and where the temptation to wrong-doing is much greater than in other places, and under other circumstances; yet, the same reasons for an increase of pay apply, with more or less force, to every branch of the public service. Cheap help is always the dearest.

If the government desires that its business should be efficiently and

honestly transacted, it must learn to pay its officers and agents at least the same compensation that is paid in private life for like services. If the compensation of government officials and employes, fixed at gold prices, many years ago, was none too much, when all the necessities of life were cheap, then the same nominal salaries, payable in a depreciated currency, with the cost of all the articles that enter into the consumption of a family increased to at least double the price that obtained when the salaries were fixed, are evidently and most certainly inadequate. Congress has felt the force of this in its own case. Before the year 1856 the pay of a member of either house was but eight dollars per day, for the time that Congress was actually in session. I have looked over the journals, from the foundation of the government to the year above named, in which year the salary was increased to three thousand dollars per annum, and find, that for the whole of this period, embracing a term of sixty-six years, the salary of a member of Congress, exclusive of mileage, averaged less than twelve hundred and fifty-three dollars per annum. The members of the thirty-third Congress, in 1853, '54, and '55, received thirteen hundred and forty-four dollars per annum; being the pay of a grade between a first and a second class clerkship in the government offices. During the rebellion, when money became cheap and everything else dear, Congress increased the pay of its members from three to five thousand dollars per annum. It is very doubtful whether the pay of a member of Congress is not still too low. Men fit for such a station can command much better compensation in the business and professional walks of private life. But, if this compensation for persons whose official services are required for but about one-half of the year is but enough, or not enough, then what can be said in favor of continuing the compensation of other government officials, whose whole time is required, from one year's end to the other, at prices ranging from less than one-quarter to rarely one-half those received by members of Congress? It is notorious, in some of the States, that public places, and especially legislative offices, are sought for and held by the unworthy, not for the salaries pertaining thereto, but for what can in some way be made outside of the pay fixed by law.

All this will surely be rectified, when the people shall come to know that the masses, who are poor and honest, are disfranchised and made ineligible by reason of this false economy, and that the effect is to place political power exclusively in the keeping of rich men or in the hands of rascals. The masses of the people will finally learn that political offices are often taken, not for the public good, nor yet for the paltry salaries that pertain thereto, but by rich men to look after their own interests, or by knaves for the "stealings" that they hope they may thereby secure and pocket. The salaries of employes of offices like this should be large enough to command the best talents, and should at least be ample to give them and their families a decent livelihood, and thus remove them from, and place them above, the temptation to do wrong, so that they and their families may live.

The risks of loss, and the pecuniary responsibilities, of the employes of this office, are very great; and the temptations, with money lying loose all around them, and their families just inside of starvation, are still greater.

Were it not for the fact that this office is considered a sort of stepping stone, and a school from which young men may graduate, and become tellers, cashiers, and bankers, it would be next to impossible to procure the services of persons of the requisite honesty, competency, and industry to execute the responsible duties pertaining to it.

It now turns out that when a young man becomes sufficiently educated to be really useful to the government, he seeks and obtains a more lucrative situation elsewhere. And so the government loses the talent and skill that it took so much pains to create. The rule should be reversed.

When men have become prominent in private life, for integrity, talents, competency, and industry, in counting-houses and banks, the government should be able, by the salaries that it would offer to persons with such qualifications, to draw them into the public service. Banks and business firms, the country over, pay salaries double, and more than double, those paid by the government for like services.

Until this evil is corrected, and the government becomes willing to pay a price that will bring the right men into the right places, there can be little hope for an efficient and an honest administration of public affairs.

Lately the accomplished cashier of this office has resigned, and has established a banking-house in this city. The inadequacy of the pay fixed for the office drove him out of it.

The salary of this officer, and that of the assistant treasurer as well, is fixed by law at only twenty-eight hundred dollars per annum.

The services of persons possessing the requisite qualifications for these offices will readily command twice, and three times, this amount from banks and other moneyed institutions.

In order to obtain the services of a person to fill the place of cashier, who was known to have all the necessary requirements, because he had heretofore been the assistant cashier in this office, it became necessary to offer him the same pay that he was receiving as assistant cashier of a national bank at Omaha.

This was largely in excess of that fixed by law for the cashier of the treasury of the United States. Luckily there was an appropriation out of which the Secretary of the Treasury was authorized to make the extra allowance that was required to put the cashier of the treasury of the United States on a par with an assistant cashier of a bank in the interior of the country; and in this way his services were with difficulty secured.

The Treasurer of the United States receives six thousand five hundred dollars per annum; the assistant treasurer at New York, eight thousand dollars; the assistant treasurer at San Francisco, six thousand dollars; and the assistant treasurers at Boston, Philadelphia, St. Louis, and New Orleans each, receive five thousand dollars per annum. It would be difficult to find a good reason why the assistant treasurer at Washington should be paid only a trifle over half as much as is paid officers of like grade, and with no more onerous duties, nor greater responsibilities, living in the cities of Boston, Philadelphia, St. Louis, or New Orleans.

The assistant cashier of the treasury is paid but twenty-five hundred dollars, a sum, for the duties performed and the risks incurred, in my opinion entirely inadequate.

The chiefs of divisions, who have more in charge than heads of bureaus had in former years; the tellers and the principal bookkeepers, receive but twenty-two hundred dollars; and the assistant tellers and the chief clerk of the Treasury of the United States receive but two thousand dollars per annum.

All these salaries, and those of the various classes of clerks, are found to be inadequate to obtain the services of persons fitted for the various

places, and equally so to retain them, when they shall have been educated, at the government expense, to obtain better pay elsewhere.

With the female clerks the case is a little different. Nearly all other avenues to obtain an honorable livelihood being closed against their sex, they flock to Washington to seek employment as clerks in the various departments of the government. So there is little difficulty in procuring the services of any number of female clerks that may be required, and that, too, at the present uniform rate of compensation.

But many who are now employed in this office in the handling of money have, by long practice and close application, become experts, and do as good, and in many cases better, official service than male clerks who receive double their compensation.

All the coupons, and all mutilated United States notes and fractional currency, are assorted, counted, and prepared for destruction by female clerks.

This requires great care and patient labor, and subjects these clerks to great responsibilities and risks, and not unfrequently to pecuniary losses.

It frequently happens that a lady engaged in the counting of money loses more than half her month's salary by reason of having lost money, or having overlooked and passed over counterfeit notes. No one, who is at all acquainted with the business operations of this office, will gainsay the fact that many female clerks, receiving only nine hundred dollars per annum, can do, and do do, more work of the kind mentioned, and do it better, too, than any clerk in the department, receiving double their salary, possibly can. On coupons the experiment has lately been thoroughly tried and tested. It was found that the work done by females was done much better, and more was done in a given time, than had been done by the male clerks who receive the larger salaries. In order to test the difference between the two kinds of clerks, on this kind of work, more thoroughly, the female clerks were required to review and recount the work of the male clerks; and it was found that they not only corrected errors in the count, but that they detected counterfeits that had not before been discovered, or known to any person connected with the Treasury Department in this city or elsewhere, and that had been overlooked by the male clerks in the offices where they were originally received, and by those in this office, who had counted them. But for the timely discovery of these counterfeit coupons, the government would have suffered great loss.

It has been remarked here, all along, that the remittances of mutilated currency to this office from the office in Philadelphia are better prepared, more neatly done up, with less mistakes in count, and containing less counterfeits, than those from any other office. The reason is that that office employs female clerks, and it is the only one except this, connected with the Treasury, that does.

The female clerks in the Philadelphia office receive but six hundred dollars per annum, for work that is better done than that done by clerks in other offices who receive from double to treble the amount of salaries. For such clerks simple justice is demanded. It is not even asked that because they do more work and do it better than male clerks can, they should receive like pay. For it is believed that, should this be done for them, men, who have votes, would, to a degree, qualify themselves for such work and thrust them out of their places, and out of employment entirely. But it is asked, that they should be classified according to their merits, and the labor they are able to perform, in the same manner but at salaries below those of the male clerks; but high

enough to stimulate the ambition of the lower classes to qualify themselves for the duties pertaining to the higher classes. I desire to call attention to what has been said on this subject in former reports, and to reiterate all that was said therein.

In accordance with these views, the following table of the officers, clerks, and other employés of this office, with the pay that should, in my opinion, attach to each, is most respectfully submitted :

Assistant treasurer .....	\$5,000 00
Cashier .....	4,000 00
Assistant cashier .....	3,500 00
Chief of division of correspondence, and ex-officio chief clerk .....	3,000 00
Chief of division of national banks .....	3,000 00
Chief of division of redemptions .....	3,000 00
Chief of division of issues .....	3,000 00
Chief of division of loans .....	3,000 00
Chief of division of general accounts .....	3,000 00
Chief of division of Treasurer's accounts .....	3,000 00
Paying teller .....	3,000 00
Receiving teller .....	3,000 00
Assistant paying teller .....	2,500 00
Assistant receiving teller .....	2,500 00
Principal bookkeeper .....	2,500 00
Assistant principal bookkeeper .....	2,200 00
20 fifth class clerks, each .....	2,000 00
26 fourth class clerks, each .....	1,800 00
15 third class clerks, each .....	1,600 00
15 second class clerks, each .....	1,400 00
10 first class clerks, each .....	1,200 00
1 engineer .....	1,200 00
9 messengers, each .....	1,000 00
9 assistant messengers, each .....	900 00
8 porters, each .....	800 00
15 fifth class female clerks, each .....	1,200 00
15 fourth class female clerks, each .....	1,000 00
30 third class female clerks, each .....	900 00
20 second class female clerks, each .....	800 00
20 first class female clerks, each .....	700 00
9 female messengers, each .....	700 00
8 female assistant messengers, each .....	600 00
7 female sweepers and dusters, each .....	400 00

The aggregate pay of the female clerks, as above classified, will be the same, for the number asked for, as is now paid ; the average being just nine hundred dollars each per annum.

The classification of the clerks in the foregoing plan is in accordance with that recognized by law. It is, however, suggested that the order of precedence should be changed so that the first class of both the male clerks and the female clerks would be highest in rank and receive the highest pay. The gradation should be made to go downward, instead of upward as now.

The number of employés, as above, is much less than the number that are now necessarily employed in the office ; and for years in the future, as in the past, more help will be required than contemplated by the plan presented. Such can continue to be temporarily employed, from time to time, as the exigencies of the public service may require.



It is certainly in no spirit of vain-boasting that the fact is stated, that in the eight years and more that the treasury of the United States has been in my charge, during which time money transactions were had that foot on the books of the office at a sum exceeding forty-four thousand million dollars, (an amount of money so great that the ordinary human mind can scarce comprehend it,) and notwithstanding the fact that vast amounts of money have been, and are, every day handled by hundreds of persons in this office, yet not one cent has, up to this time, been lost to the people of the United States on account of the management of the treasury, or on account of the conduct of any employes in this office. If this is mere luck, then certainly I have been the luckiest of men. Losses, it is true, have occurred; but thus far they have been so small that they have always been made good to the treasury by the persons responsible for them, or by the voluntary contributions of the associates of the unfortunate ones.

Although I feel that I have the right to say that I have always done my whole duty to the utmost limit of my capacity for endurance; that I have worked unceasingly in season and out of season in the public service; and that I have never done an official act that I am not willing that the whole world should know, yet it is certain that without the aid of an overruling Providence, that has directed the choice of honest and competent persons to aid in the arduous duties that devolved upon me, or without the kindness at all times shown me by your predecessors and yourself, such a result would not have been possible.

I feel that such good fortune cannot last always. The bark of the most fortunate and skillful mariner may at last be wrecked on some hidden rock. The law of chances is now strongly against me. I therefore now, more than ever, feel an anxious desire to retire from the perilous position that I hold, the holding of which I am sure has been of greater benefit to the good people of the United States than to

Your humble servant,

F. E. SPINNER,  
*Treasurer of the United States.*

Hon. GEORGE S. BOUTWELL,  
*Secretary of the Treasury.*

## REPORT OF THE REGISTER OF THE TREASURY.

TREASURY DEPARTMENT,  
*Register's Office, October 29, 1869.*

SIR: I have the honor to transmit herewith a report of the business transacted in this office for the fiscal year ending June 30, 1869.

Upon assuming the duties of this office, April 1, 1869, I found a clerical force of three hundred and sixty-nine persons. This number was in excess of the requirements of the labor to be performed, and the number has been reduced one hundred and forty, leaving now employed in the several divisions of the bureau two hundred and twenty-nine persons, which number it is believed will be sufficient to perform the labor of the office unless it should be increased.

I deemed it to be my duty at an early day after my appointment to call your attention to the exposed condition of a large amount of valuable public property, bonds, &c., which was in custody of this office, and which, from want of sufficiently large safes or permanent safe vaults, seemed to require greater protection.

By the change of location of this bureau, which you were pleased to order, from the third story of the building to the first, this evil has been remedied, and we now have for the use of the loan division of this office a large and substantial safe vault constructed out of massive blocks of granite, and lined with iron and secured by the most improved burglar-proof locks, which affords ample room, and it is confidently believed renders a large amount of valuable property entirely secure.

The following exhibit of the operations of the different divisions into which the work of the Register's office is divided will, it is hoped, prove intelligible and satisfactory :

#### DIVISION OF RECEIPTS AND EXPENDITURES.

The clerical force of this division comprises twenty-three male and six female clerks.

The number of warrants issued during the year for civil, diplomatic, miscellaneous, internal revenue, and public debt expenditures, was.....	\$18,856
In the preceding year.....	22,231
Decrease.....	3,375
The number of warrants issued for receipts from customs, lands, direct tax, internal revenue, and miscellaneous sources, was.....	9,300
In the preceding year.....	9,018
Increase.....	282
The number of warrants issued for payments and repayments in the War, Navy, and Interior (Pension and Indian) Departments, was.....	10,284
In the preceding year.....	9,104
Increase.....	1,180
The number of journal pages required for the entry of accounts relating to the civil, diplomatic, internal revenue, miscellaneous, and public debt receipts and expenditures, was.....	4,483
In the preceding year.....	4,114
Increase.....	369
The number of drafts registered, was.....	32,788
In the preceding year.....	39,634
Decrease.....	6,846
The number of accounts received from the offices of the First and Fifth Auditors and Commissioner of the General Land Office, was.....	20,585
In the preceding year.....	25,273
Decrease.....	4,688

## LOAN DIVISION.

*Statement showing the number of cases, and the number and amount of coupon and registered bonds issued and canceled, during the fiscal year ending June 30, 1869.*

LOANS.	DIRECT ISSUES.			TRANSFERS.			
	Number of cases.	Bonds issued.	Amount.	Number of cases.	Bonds issued.	Bonds canceled.	Amount.
1847.....							
1848.....							
1858.....				57	821	821	\$1,501,000
1860.....				47	268	288	940,000
1861, Feb. 8.....				186	478	471	1,333,010
Oregon war debt.....				1	57	61	27,250
1861, July 17.....	2	3	\$150	813	3,092	3,039	8,852,350
1862.....				1,244	6,367	9,774	14,778,250
1863.....				343	1,181	1,138	4,192,250
1864, 6 per cent.....				16	64	59	220,300
1864, 5 per cent.....	1	6	6,000	1,198	5,735	5,346	14,130,050
1864, June 30.....				578	2,659	2,281	6,834,050
1865.....	9	6,000	6,000,000	599	2,409	2,309	6,449,850
1865, consolidated.....	1	7	70,000	1,305	5,538	6,280	10,041,950
1867, consolidated.....	1,588	43,549	21,955,800	1,412	5,413	4,628	10,739,350
1868, consolidated.....	1,831	60,526	25,152,050	180	518	408	1,437,500
Central Pacific.....	18	1,661	15,769,000	600	2,782	2,108	14,487,000
Union Pacific.....	14	1,934	13,041,000	810	3,901	3,634	20,421,000
Union E. D., Pacific.....	1	27	223,000	134	448	400	1,883,000
Western Pacific.....							
Union Central Branch.....				34	112	88	214,000
Sioux City.....	1	54	516,320	43	168	189	1,124,000
Atchison and Pike's Peak.....				2	2	2	2,000
Total.....	3,466	113,767	82,733,320	9,602	42,013	43,405	119,608,160

LOANS.	EXCHANGES.				REDEMPTIONS.		
	Number of cases.	Bonds issued.	Bonds canceled.	Amount.	Number of cases.	Bonds canceled.	Amount.
1847.....					17	275	\$714,000 00
1848.....					32	4,779	6,251,341 80
1858.....							
1860.....							
1861, Feb. 8.....	16	158	193	\$193,000			
Oregon war debt.....							
1861, July 17.....	134	419	2,113	546,250			
1862.....	60	86	161	71,000			
1863.....	32	80	158	91,400			
1864, 6 per cent.....							
1864, 5 per cent.....	161	396	3,351	480,050			
1864, June 30.....	70	263	1,507	1,334,200			
1865.....	41	86	174	110,150			
1865, consolidated.....	360	1,372	3,896	2,853,950			
1867, consolidated.....	656	3,835	24,179	12,154,750			
1868, consolidated.....	252	835	5,404	2,731,000			
Central Pacific.....							
Union Pacific.....							
Union E. D., Pacific.....							
Western Pacific.....							
Union Central Branch.....							
Sioux City.....							
Atchison and Pike's Peak.....							
Total.....	1,782	7,530	41,226	20,565,750	49	5,054	6,965,341 80

## RECAPITULATION.

## Number of cases:

Direct issues .....	\$3,466 00
Exchanges .....	1,782 00
Transfers .....	9,602 00
Redemptions .....	49 00
	<u>14,899 00</u>

## Number of bonds issued:

Coupon, direct issue .....	\$106,519 00
Coupon, transfers .....	2,870 00
Coupon, exchanges .....	14 00
Registered, direct issue .....	7,248 00
Registered, transfers .....	39,143 00
Registered, exchanges .....	7,516 00
	<u>163,310 00</u>

## Number of bonds canceled:

Coupon, exchanged .....	\$5 00
Coupon, transferred .....	6,084 00
Coupon, redeemed .....	3,698 00
Registered, exchanged .....	41,221 00
Registered, transferred .....	37,391 00
Registered, redeemed .....	1,356 00
	<u>89,685 00</u>

## Amount of bonds issued:

Coupon, direct issue .....	\$45,101,050 00
Coupon, transfers .....	2,759,710 00
Coupon, exchanges .....	14,000 00
Registered, direct issue .....	37,632,270 00
Registered, transfers .....	116,848,450 00
Registered, exchanges .....	20,551,750 00
	<u>222,907,230 00</u>

## Amount of bonds redeemed:

Coupon .....	\$4,068,000 00
Registered .....	2,897,341 80
	<u>6,965,341 80</u>

The clerical force in this division is twenty-two male and ten female clerks.

## NOTE AND COUPON DIVISION.

At the close of the fiscal year the clerical force of this division consisted of seventy-eight clerks, (twenty-four males and fifty-four females.)

The total number for the year was two hundred and fifty clerks, (fifty-two males and one hundred and ninety-eight females.)

The average number per month was one hundred and fifty clerks, (thirty-two male and one hundred and eighteen females.)

The specific services rendered by this force during the year were as follows, viz:

*Statement of treasury notes, bonds, &c.*

	Authorizing act.	Number of pieces.	Total amount.	Coupons attached.
<b>TREASURY NOTES AND GOLD CERTIFICATES.</b> (UPPER HALVES.)				
Counted, assorted, arranged, registered, and examined:				
One year five per cent.....	March 3, 1863.	11, 382	\$228, 040	.....
Two years five per cent.....	March 3, 1863.	1, 542	103, 650	.....
Two years five per cent. coupon.....	March 3, 1863.	353	26, 750	909
Three years six per cent.....	March 3, 1863.	4, 968	214, 450	.....
June 30, 1864.....	June 30, 1864.	797, 412	52, 285, 370	.....
Gold certificates.....	March 3, 1863.	63, 855	67, 570, 060	.....
Total.....		879, 512	120, 438, 320	909
<b>TREASURY NOTES (WHOLE) RECEIVED FROM COMPTROLLER.</b>				
Counted and verified:				
Five and six per cent.....	March 3, 1863, and June 30, 1864.	670, 006	\$47, 623, 690	.....
Delivered to the U. S. Treasurer:				
Five and six per cent.....	March 3, 1863, and June 30, 1864.	739, 970	\$50, 905, 480	.....
<b>"SEVEN-THIRTY" COUPON TREASURY NOTES.</b>				
Counted, assorted, and arranged:				
Issues, Aug., Oct. 1861, and warrants.....	July 17, 1861.....	116	\$11, 500	.....
First series, August 15, 1861.....	June 30, 1864.....	8, 813	973, 800	99
Second series, June 15, 1865.....	March 3, 1865.....	301, 388	118, 276, 200	29, 133
Third series, July 15, 1865.....	March 3, 1865.....	340, 110	70, 647, 550	24, 969
Total.....		650, 427	187, 909, 050	54, 221
Registered:				
Issues, Aug., Oct. 1861, and warrants.....	July 17, 1861.....	116	\$11, 500	.....
First series, August 15, 1861.....	June 30, 1864.....	9, 696	1, 074, 000	108
Second series, June 15, 1865.....	March 3, 1865.....	351, 162	130, 754, 650	29, 154
Third series, July 15, 1865.....	March 3, 1865.....	397, 313	79, 411, 050	25, 021
Total.....		758, 227	211, 251, 200	54, 283
Examined and compared:				
Issues, Aug., Oct. 1861, and warrants.....	July 17, 1861.....	116	\$11, 500	.....
First series, August 15, 1861.....	June 30, 1864.....	11, 427	1, 256, 150	109
Second series, June 15, 1865.....	March 3, 1865.....	379, 646	139, 520, 550	29, 161
Third series, July 15, 1865.....	March 3, 1865.....	431, 021	84, 432, 850	25, 058
Total.....		822, 210	225, 221, 050	54, 328
<b>FIVE-TWENTY AND OTHER BONDS RECEIVED.</b>				
Registered, examined, scheduled, and delivered to the committee:				
Redeemed and exchanged.....	March 31, 1848.....	3, 921	\$4, 305, 000	636
Do.....	June 14, 1858.....	1, 473	1, 473, 000	18, 608
Do.....	June 22, 1860.....	27	27, 000	191
Do.....	February 6, 1861.....	186	186, 000	5, 000
Do.....	July 17 and Aug. 5, 1861.....	5, 619	2, 616, 700	143, 835
Do.....	February 25, 1862.....	2, 505	1, 931, 200	71, 066
Do.....	March 3, 1863.....	2, 750	2, 538, 450	102, 843
Do.....	March 3, 1864.....	12, 001	6, 755, 700	692, 228
Do.....	June 30, 1864.....	2, 728	2, 822, 950	94, 064
Do.....	March 3, 1865.....	95, 559	83, 832, 000	3, 753, 925
Total.....		127, 769	105, 954, 000	4, 883, 296

Of coupons, there were counted, assorted, and arranged, 8,658,301; registered, 9,725,639; examined and compared, 6,590,591—detached from the notes and bonds.

## NOTE AND FRACTIONAL CURRENCY DIVISION.

*Statement showing the number of notes and amount of fractional currency and United States notes examined, counted, canceled, and destroyed, for the year ending June 30, 1869.*

	Number of notes.	Amount.	Total No. of notes.	Total am't.
Fractional currency, first issue.....	1,600,000	\$272,400	.....	.....
Fractional currency, second issue.....	3,600,000	439,600	.....	.....
Fractional currency, third issue.....	113,710,000	23,051,700	118,910,000	\$20,763,700
United States notes.....	9,786,874	52,191,125	.....	.....
National Bank notes.....	59,791	131,134	9,786,665	52,582,259

There are fifty-three ladies employed in this division.

## TONNAGE DIVISION.

In this division the title records of the documented vessels of the United States are preserved, and the annual statements of navigation are prepared.

These statements show the number and tonnage of vessels of the Atlantic and Gulf coast, of the Pacific coast, of the northern lakes, and of the western rivers, stating separately vessels in the foreign trade, coasting trade, and fisheries; also sailing vessels, ocean steamers, river steamers, yachts, barges, and canal boats; vessels built, lost at sea, abandoned, and sold to foreigners.

The work of supplying blanks and blank books for the custom-houses in relation to marine accounts has been fully inaugurated; 765 books have been ordered, and 570 received, from the Congressional Printer.

During the year ending June 30th, 312 books and 54,268 blanks were sent out.

This work has been delayed by the insufficiency of the force and machinery employed at the Government Bindery.

A thorough revision of the tonnage accounts of the country has been made, and the alphabetical indexes have been prepared for the first time.

During the year 3,096 quarterly abstracts, and 615 other abstracts, have been examined.

The tonnage of the country on the 30th of June, 1869, as compared with the tonnage on the 30th of June, 1868, is as follows:

Year.	Registered.	Enrolled and licensed.	Total.
1868 .....	1,565,732	2,786,026	4,351,758
1869 .....	1,565,837	2,541,498	4,107,335
	Gain..... 105	Loss... 244,528	Loss.... 244,423

There has, however, been no actual loss. The reduction of the total tonnage is attributable entirely to the fact that during the past year a large amount of obsolete tonnage, representing vessels lost at sea, and abandoned during previous years, has been stricken from the accounts. In the future an annual revision of the tonnage will be required, and vessels not in service will be promptly credited on the books.

There are five male and five female clerks in this division, on the rolls of this office.

In closing the report I take pleasure in bearing testimony to the ability and efficiency of the several gentlemen who fill the positions of subordinate officers in this bureau, and also to the faithfulness and general good conduct of the corps of clerks employed.

I remain, with great respect, your obedient servant,

JOHN ALLISON, *Register.*

HON. GEORGE S. BOUTWELL,  
*Secretary of the Treasury.*

*Statement of payments made during the year ending June 30, 1869, out of the appropriation for "claims not otherwise provided for," rendered in pursuance of act of March 3, 1869.*

Date of payment.	Name and object.	Amount.
October 15, 1868.	H. H. Heath, Secretary of the Territory of New Mexico, and acting Superintendent of Public Buildings, &c., on account of salary from July 27 to September 30, 1868.	\$170 38
January 14, 1869.	H. H. Heath, on account of salary for fourth quarter 1868.	237 50
April 2, 1869.	H. H. Heath, on account of salary for first quarter 1869.	237 50
April 13, 1869.	B. C. Whiting, United States attorney for the southern district of California, for services in cases of <i>De Graw et al. vs. Harris</i> , keeper of Point Pinos light-house, and services in the matter of <i>S. Conover</i> for site of the custom-house at Monterey.	650 00
May 6, 1869.	C. Cushing, et al., for professional services and expenses incurred in the case of <i>Kimberly vs. Butler</i> , as follows:	
	To Caleb Cushing.	\$2, 586 75
	To Wm. Schley.	2, 079 00
	Total	4, 665 75
		5, 961 13

*Statement of the revenue collected from the beginning of the government to the 30th of June, Lands, and Miscellaneous sources, with the receipts*

	From customs: Duties, imposts, and tonnage.	From internal revenue.	From direct tax.	From postage.
From March 4, 1789, to Dec. 31, 1791..	\$4,399,473 09			
1792 (for the year).....	3,443,070 85	\$208,924 81		
1793.....	4,255,306 56	337,705 70		\$11,020 51
1794.....	4,801,085 28	274,069 62		29,478 49
1795.....	5,588,461 26	337,755 36		22,400 00
1796.....	6,567,987 84	475,289 60		72,909 84
1797.....	7,549,649 65	575,491 45		64,500 00
1798.....	7,106,061 93	644,337 95		39,500 00
1800.....	6,610,449 31	779,136 44		41,000 00
1801.....	9,080,933 73	809,336 55	\$734,223 97	78,000 00
1802.....	10,750,778 93	1,048,033 43	534,343 36	79,500 00
1803.....	12,438,235 74	631,898 69	206,565 44	35,000 00
1804.....	10,479,417 61	215,177 69	71,679 20	16,427 26
1805.....	11,098,565 33	50,941 29	50,196 44	26,500 00
1806.....	12,936,467 04	21,747 15	21,883 91	21,342 50
1807.....	14,667,096 17	20,101 45	55,763 66	41,117 67
1808.....	15,845,521 61	13,051 40	34,732 56	3,614 73
1809.....	16,363,550 58	6,210 73	19,159 21	
1810.....	7,296,020 56	4,044 39	7,317 31	
1811.....	8,563,309 31	7,430 63	12,448 68	
1812.....	13,313,222 73	9,285 95	7,066 66	37 70
1813.....	8,856,777 53	4,903 06	856 22	85,039 70
1814.....	13,224,623 25	4,753 04	3,805 52	35,000 00
1815.....	5,998,772 08	1,002,964 82	2,219,497 36	45,000 00
1816.....	7,282,842 22	4,676,059 07	2,162,673 41	135,000 00
1817.....	36,306,874 68	5,124,708 31	4,253,535 09	140,787 74
1818.....	26,283,348 49	2,678,100 77	1,634,167 04	29,371 91
1819.....	17,176,385 00	855,279 20	261,333 36	20,070 00
1820.....	20,303,606 70	226,593 63	63,630 78	71 32
1821.....	15,005,612 15	106,260 53	31,566 62	6,465 25
1822.....	13,004,447 15	69,027 63	29,349 05	516 91
1823.....	17,589,761 94	67,665 71	20,961 56	602 04
1824.....	19,088,433 44	34,242 17	10,357 71	110 69
1825.....	17,678,325 71	34,663 37	6,301 96	
1826.....	20,096,713 45	25,771 35	2,330 85	469 56
1827.....	23,341,331 77	21,589 93	6,638 76	300 14
1828.....	19,712,283 29	10,885 68	2,626 90	101 00
1829.....	23,205,523 64	17,451 54	3,218 61	20 15
1830.....	22,681,965 91	14,562 74	11,335 05	66 60
1831.....	21,922,391 39	12,160 52	16,080 59	55 13
1832.....	24,224,441 77	6,033 51	10,506 61	561 02
1833.....	26,465,217 24	11,630 65	6,791 13	244 95
1834.....	26,032,508 01	2,759 00	384 12	
1835.....	16,214,057 15	4,196 09	19 80	100 00
1836.....	19,391,310 59	4,159 48	4,263 33	893 00
1837.....	23,400,940 53	370 00	728 79	10 91
1838.....	11,169,200 39	5,493 84	1,697 70	
1839.....	16,158,800 36	2,467 27		
1840.....	23,137,324 61	2,553 32	755 22	
1841.....	13,499,502 17	1,629 25		
1842.....	14,487,216 74	3,261 36		
1843 (half year to June 30).....	18,187,908 76	495 00		
1844 (fiscal year ending June 30).....	7,046,643 91	103 25		
1844-45.....	26,183,570 94	1,777 34		
1845-46.....	27,526,112 70	3,517 12		
1846-47.....	26,712,667 87	2,897 26		
1847-48.....	23,747,864 66	3,375 00		
1848-49.....	31,757,070 66	375 00		
1849-50.....	28,346,738 69	375 00		
1850-51.....	38,668,686 42			
1851-52.....	49,017,567 92			
1852-53.....	47,339,326 63			
1853-54.....	58,931,865 52			
1854-55.....	64,224,190 27			
1855-56.....	53,025,794 21			
1856-57.....	64,022,863 50			
1857-58.....	63,875,905 05			
1858-59.....	41,759,620 96			
1859-60.....	49,585,824 38			
1860-61.....	53,187,511 87			
1861-62.....	39,582,125 64			
1862-63.....	49,056,207 62			
1863-64.....	69,059,642 40	37,640,787 95	1,795,331 73	
1864-65.....	102,316,159 99	109,741,134 10	1,485,103 61	
1865-66.....	84,923,260 60	209,464,935 25	475,648 96	
1866-67.....	179,046,651 58	309,226,613 49	1,200,573 03	
1867-68.....	176,417,810 88	266,027,537 43	1,974,754 12	
1868-69.....	164,464,599 56	191,067,569 41	4,200,225 70	
1869-70.....	180,048,426 63	153,356,480 89	1,788,145 85	
			765,685 61	



1899, under the several heads of Customs, Internal Revenue, Direct Tax, Postage, Public loans and treasury notes, and the total receipts.

From public lands.	From bank stocks, divid's, and bonds.	From miscellaneous sources.	Total, exclusive of loans and treasury notes.	From loans and treasury notes.	Total receipts.
		\$19,440 10	\$4,418,913 19	\$5,791,112 56	\$10,210,025 75
	\$8,028 00	9,936 65	3,669,960 31	5,070,896 46	8,740,766 77
	38,501 00	10,390 37	4,652,923 14	1,067,761 14	5,720,684 28
	303,472 00	23,799 48	4,431,904 87	4,609,196 78	10,041,101 65
	162,000 00	5,917 97	6,114,534 59	3,305,268 20	9,419,802 79
\$4,236 13	1,240,000 00	16,506 14	8,377,529 65	362,800 00	8,740,329 65
83,540 60	385,220 00	30,379 29	8,688,495 80	70,135 41	8,758,631 21
11,963 11	79,920 00	18,692 21	7,900,813 31	308,574 27	8,209,387 58
	71,040 00	45,187 56	7,546,749 10	5,074,646 53	12,621,395 63
	443 75	74,712 10	10,848,749 10	1,602,435 04	12,451,184 14
167,726 06	88,800 00	966,149 15	12,935,330 95	10,125 00	12,945,455 95
185,628 02	1,327,560 00	117,905 26	14,995,783 95	5,597 36	15,001,381 31
165,675 69		115,518 18	11,064,097 63		11,064,097 63
487,926 79		112,755 53	11,826,367 38	9,532 64	11,835,900 02
540,193 80		19,639 20	13,540,694 20	128,814 94	13,669,509 14
765,245 73		10,004 19	15,559,931 07	48,697 71	15,608,628 78
466,163 27		34,935 69	16,398,019 26		16,398,019 26
647,939 06		21,892 35	17,060,661 93	1,822 16	17,062,484 09
442,252 33		23,638 51	7,773,473 12		7,773,473 12
696,548 82		84,476 84	9,384,214 28	2,750,992 25	12,144,206 53
1,040,327 53		60,068 52	14,483,529 09	8,309 05	14,491,838 14
835,655 14		41,125 47	9,801,132 76	12,837,600 00	22,639,032 76
1,125,971 00		236,571 00	14,340,409 95	26,184,435 00	40,524,844 95
1,287,859 28		150,282 74	11,181,625 16	23,377,911 79	34,559,536 95
1,717,958 03		123,994 61	13,696,916 82	35,364,320 78	50,061,237 60
1,991,226 06	202,426 00	80,329 17	47,676,965 66	9,494,436 16	57,171,401 82
2,608,564 77	525,000 00	37,547 71	33,099,049 04	7,354,542 59	40,453,591 63
3,274,422 78	675,000 00	57,027 10	21,585,374 37	8,291 00	21,603,665 37
1,635,271 61	1,000,000 00	54,279 49	24,603,669 55	3,040,824 13	28,644,493 68
1,212,966 46	105,000 00	152,073 52	17,840,669 26	5,000,324 00	19,573,703 72
1,803,581 54	297,500 00	452,335 15	14,573,379 72		20,322,427 94
916,523 10	350,000 00	141,019 15	20,232,427 94		20,232,427 94
984,418 15	350,000 00	137,603 60	20,540,666 26	5,000,000 00	25,540,666 26
1,216,090 56	367,500 00	129,989 25	21,381,212 79	5,000,000 00	26,381,212 79
1,393,785 09	402,500 00	94,288 52	21,840,558 69		26,840,558 69
1,495,845 26	420,000 00	1,315,621 83	22,200,434 21		26,360,434 21
1,018,308 75	455,000 00	65,106 34	22,966,363 96		22,966,363 96
1,517,175 13	490,000 00	112,561 95	22,966,363 96		22,966,363 96
2,328,356 14	490,000 00	73,179 64	24,627,627 38		24,627,627 38
3,210,815 48	490,000 00	583,563 03	24,644,116 51		24,644,116 51
2,623,381 03	650,000 00	101,165 66	25,526,820 82		25,526,820 82
3,967,682 53	610,285 00	334,796 67	31,867,450 66		31,867,450 66
4,857,600 69	596,649 50	128,112 32	33,948,426 25		33,948,426 25
14,737,600 75	569,280 82	696,279 13	35,430,087 10		35,430,087 10
6,277,179 86	328,674 67	2,209,891 32	50,826,796 08		50,826,796 08
6,770,236 52	1,375,965 44	5,625,479 15	24,954,153 04	3,992,929 15	27,947,142 19
3,081,939 47	4,542,102 22	2,517,252 42	26,302,561 74	12,716,820 86	39,019,382 60
7,076,447 35		1,265,088 91	31,482,749 61	3,857,276 21	35,340,025 82
3,292,683 29	1,744,513 80	911,733 22	19,480,115 33	5,529,547 51	25,009,662 84
1,365,627 42	672,769 38	431,285 57	16,860,160 27	13,630,317 36	30,490,477 63
1,335,797 52		300,007 97	19,965,009 25	14,808,735 64	34,773,744 89
1,297,818 11		296,235 99	8,241,001 26	12,541,409 19	20,782,410 45
2,059,939 80		1,075,419 70	29,320,767 78	1,877,847 95	31,198,615 73
2,077,022 30		333,501 78	29,641,853 90		29,641,853 90
2,094,452 48		274,139 44	29,684,157 05		29,684,157 05
2,496,355 80		284,444 36	26,531,039 29		26,531,039 29
3,328,642 56		627,021 13	35,713,109 65	21,293,780 00	57,006,889 65
1,688,950 53		338,233 70	30,374,307 07	20,422,585 91	50,796,892 98
1,859,894 25		706,059 12	42,234,628 55	5,435,126 96	47,669,755 51
2,352,305 30	206,072 09	921,933 24	52,557,679 55	203,000 00	52,760,679 55
2,043,230 58	1,021 34	438,580 76	49,822,168 30	46,300 00	49,868,468 30
1,667,084 90		1,188,104 07	61,787,054 52	16,350 00	61,803,404 52
5,470,798 79		1,105,352 74	73,800,341 40	1,950 00	73,802,291 40
11,497,049 07		2,727,731 40	65,350,574 68	800 00	65,351,374 68
8,917,644 93		1,116,190 21	74,056,609 24	200 00	74,056,809 24
8,920,486 64		1,259,920 88	68,965,312 57	3,900 00	68,969,212 57
3,513,715 87		1,029,029 13	46,655,365 96	23,717,300 00	70,372,665 96
1,756,667 30		2,163,953 96	53,480,599 83	28,287,500 00	81,768,099 83
1,778,557 71		1,023,305 25	56,054,599 83	20,786,808 00	76,841,407 83
870,658 54		531,515 31	41,476,299 76	41,895,340 65	83,371,640 41
152,203 77		531,787 64	51,935,720 76	529,692,460 50	581,628,441 26
167,617 17		4,344,139 22	112,087,290 95	776,682,361 57	888,774,652 52
583,533 31		51,505,562 26	264,020,771 60	1,121,131,842 98	1,385,756,614 58
996,031 03		37,125,062 69	333,714,605 08	1,472,224,740 85	1,806,939,345 93
1,163,375 76		67,119,369 91	538,032,620 06	712,851,553 05	1,270,884,173 11
1,348,715 41		42,824,852 50	490,634,010 27	640,426,910 29	1,131,060,920 56
4,020,344 34		46,949,033 09	405,638,083 32	625,111,433 30	1,030,749,516 62
		27,752,829 77	370,943,747 21	238,678,081 06	609,621,828 27

*Statement of expenditures from the beginning of the government to June 30, 1869, under the  
Indian Department, and Miscellaneous, with*

[The year 1863, and subsequent, are from the account of warrants on the Treasurer]

	Civil list.	Foreign inter- course.	Navy Depart- ment.	War Depart- ment.	Pensions.
From Mar. 4, 1789, to Dec. 31, 1791	\$757, 134 45	\$14, 733 33	\$570 00	\$632, 804 03	\$175, 813 88
1792 (for the year)	380, 917 58	78, 766 67	53 02	1, 100, 702 09	109, 243 15
1793	358, 241 08	89, 500 00		1, 130, 249 08	80, 017 81
1794	440, 946 58	146, 403 51	61, 408 97	2, 622, 097 59	81, 399 24
1795	361, 633 36	912, 685 12	410, 562 03	2, 480, 910 13	68, 673 22
1796	447, 139 05	184, 859 64	274, 784 04	1, 260, 263 84	100, 843 71
1797	483, 223 70	699, 788 54	382, 631 29	1, 030, 402 66	92, 256 97
1798	504, 605 17	457, 428 74	1, 381, 347 76	2, 009, 522 30	104, 845 33
1799	592, 905 76	271, 374 11	2, 858, 081 84	2, 466, 946 98	95, 444 03
1800	748, 688 45	395, 288 18	3, 448, 716 03	2, 560, 878 77	64, 130 73
1801	549, 288 31	295, 676 73	2, 111, 424 00	1, 672, 944 08	73, 533 37
1802	596, 981 11	550, 925 93	915, 561 87	1, 179, 148 25	85, 440 39
1803	526, 583 12	1, 110, 834 77	1, 215, 230 53	822, 055 85	62, 902 10
1804	624, 795 63	1, 186, 655 57	1, 189, 632 75	875, 423 93	80, 092 80
1805	585, 849 79	2, 798, 028 77	1, 597, 500 00	712, 781 28	81, 854 59
1806	684, 230 53	1, 760, 421 30	1, 649, 641 44	1, 224, 355 38	81, 875 53
1807	655, 524 65	577, 826 34	1, 722, 064 47	1, 288, 685 91	70, 500 00
1808	691, 167 80	304, 992 83	1, 884, 067 80	2, 900, 834 40	82, 576 04
1809	712, 465 13	166, 306 04	2, 427, 758 80	3, 347, 772 17	87, 833 54
1810	703, 994 03	81, 367 48	1, 654, 244 29	2, 294, 323 94	83, 744 10
1811	644, 467 27	264, 904 47	1, 965, 566 39	2, 032, 828 19	75, 043 88
1812	826, 271 55	347, 703 29	3, 939, 365 15	11, 817, 798 24	91, 402 10
1813	780, 545 45	209, 941 01	6, 446, 600 10	19, 662, 013 02	86, 989 91
1814	927, 424 23	177, 179 97	7, 311, 290 60	20, 350, 806 86	90, 164 36
1815	852, 247 16	290, 892 04	8, 660, 000 25	14, 794, 294 22	69, 656 06
1816	1, 208, 125 77	364, 620 40	3, 908, 278 30	16, 012, 096 80	188, 804 15
1817	994, 556 17	281, 985 97	3, 314, 598 49	8, 064, 236 53	297, 374 43
1818	1, 109, 559 79	420, 429 90	2, 953, 695 00	5, 622, 715 10	*890, 719 90
1819	1, 142, 180 41	284, 113 94	3, 847, 640 42	6, 506, 300 37	2, 415, 939 85
1820	1, 248, 310 05	253, 370 04	4, 387, 990 00	2, 630, 392 31	3, 208, 376 31
1821	1, 112, 292 64	207, 110 75	3, 319, 243 06	4, 461, 291 72	242, 817 25
1822	1, 158, 131 58	164, 879 51	2, 224, 458 98	3, 111, 981 48	1, 948, 199 40
1823	1, 056, 911 65	292, 118 56	2, 503, 765 83	3, 096, 924 43	1, 780, 588 52
1824	1, 336, 266 24	15, 140, 099 83	2, 904, 581 56	3, 340, 939 85	1, 498, 326 59
1825	1, 330, 747 21	371, 666 25	3, 094, 083 86	3, 659, 913 18	1, 308, 810 57
1826	1, 256, 745 48	232, 719 08	4, 218, 902 45	3, 943, 194 37	1, 556, 593 83
1827	1, 228, 141 04	659, 211 87	4, 263, 877 45	3, 938, 977 88	976, 148 86
1828	1, 455, 490 58	1, 001, 193 66	3, 918, 786 44	4, 145, 544 56	850, 573 57
1829	1, 327, 069 36	207, 765 85	3, 308, 745 47	6, 250, 230 28	949, 594 47
1830	1, 579, 724 64	294, 067 27	3, 239, 428 63	6, 752, 688 66	1, 363, 297 31
1831	1, 373, 755 99	298, 554 00	3, 856, 183 07	4, 846, 405 61	1, 170, 665 14
1832	1, 800, 757 74	325, 181 07	3, 956, 370 29	5, 446, 131 23	1, 184, 422 40
1833	1, 562, 758 28	955, 395 88	3, 901, 356 75	6, 705, 022 95	4, 589, 152 40
1834	2, 080, 601 60	241, 562 35	3, 956, 260 42	5, 698, 517 51	3, 364, 285 30
1835	1, 905, 551 51	774, 750 28	3, 864, 039 06	5, 827, 948 57	1, 954, 711 32
1836	2, 110, 175 47	533, 382 65	5, 807, 718 23	11, 791, 208 02	2, 882, 797 96
1837	2, 357, 035 94	4, 603, 905 40	6, 646, 914 53	13, 731, 172 31	2, 672, 162 45
1838	2, 688, 708 56	1, 215, 095 52	6, 131, 580 53	13, 088, 169 69	2, 156, 057 29
1839	2, 116, 982 77	987, 667 92	6, 182, 294 25	9, 227, 045 90	3, 142, 750 50
1840	2, 736, 769 31	683, 278 15	6, 113, 896 89	7, 155, 204 99	2, 603, 562 17
1841	2, 556, 471 79	429, 410 57	6, 001, 076 97	9, 042, 749 92	2, 388, 434 51
1842	2, 905, 041 65	563, 191 41	8, 397, 242 95	6, 658, 137 16	1, 378, 931 33
1843 (six months ending June 30)	1, 222, 492 48	400, 564 04	3, 727, 711 53	3, 104, 638 48	839, 041 12
1844 (fiscal year ending June 30)	2, 454, 958 15	636, 079 66	6, 498, 199 11	5, 192, 445 05	2, 032, 008 99
1844-45	2, 369, 652 79	702, 637 22	6, 297, 177 80	5, 819, 888 50	2, 398, 867 29
1845-46	2, 532, 232 92	409, 292 55	6, 455, 013 92	10, 362, 374 36	1, 809, 739 62
1846-47	2, 570, 338 44	405, 079 10	7, 900, 635 76	35, 776 495 72	1, 742, 890 85
1847-48	2, 645, 802 87	448, 593 01	9, 408, 476 02	27, 838, 374 80	1, 236, 500 92
1848-49	2, 865, 196 91	6, 908, 996 72	9, 786, 705 92	16, 563, 543 33	1, 933, 695 87
1849-50	3, 027, 454 39	5, 990, 858 81	7, 904, 724 66	9, 627, 924 58	1, 866, 886 02
1850-51	3, 481, 219 51	6, 256, 427 16	8, 880, 581 32	12, 161, 065 11	2, 293, 377 22
1851-52	3, 439, 923 22	4, 196, 321 59	8, 918, 842 10	8, 521, 506 19	2, 401, 858 78
1852-53	4, 265, 861 68	950, 871 30	11, 067, 789 53	9, 910, 498 49	1, 736, 292 45
1853-54	4, 621, 492 24	57, 763, 212 31	10, 790, 096 32	11, 722, 222 97	1, 369, 009 47
1854-55	6, 350, 875 88	997, 007 26	13, 327, 095 11	14, 648, 074 07	1, 542, 255 40
1855-56	6, 432, 256 35	3, 642, 615 39	14, 074, 834 64	16, 963, 160 51	1, 344, 027 70
1856-57	7, 611, 547 27	999, 177 65	19, 651, 694 61	19, 150, 150 87	1, 423, 770 85
1857-58	7, 116, 339 04	1, 396, 508 72	14, 053, 264 64	25, 679, 121 63	1, 221, 163 14
1858-59	5, 913, 281 50	981, 946 87	14, 690, 927 90	23, 154, 720 53	1, 161, 190 66
1859-60	6, 077, 008 95	1, 146, 143 79	11, 514, 649 83	14, 472, 292 72	1, 004, 899 32
1860-61	6, 074, 141 83	1, 147, 786 91	12, 387, 095 52	23, 001, 530 67	1, 100, 592 73
1861-62	5, 939, 009 29	1, 339, 710 35	42, 674, 569 69	394, 468, 407 36	879, 553 23
1862-63	6, 350, 618 78	1, 231, 413 06	63, 211, 105 27	599, 298, 600 83	3, 140, 194 44
1863-64	8, 059, 177 23	1, 290, 691 92	85, 733, 292 77	690, 791, 842 97	4, 979, 633 17
1864-65	10, 833, 944 87	1, 260, 818 08	122, 567, 776 12	1, 031, 323, 360 79	9, 291, 610 48
1865-66	12, 287, 898 55	1, 338, 388 18	43, 324, 118 52	284, 449, 701 82	15, 605, 252 35
1866-67	15, 585, 489 55	1, 548, 589 26	31, 034, 011 04	95, 224, 415 63	20, 936, 551 71
1867-68	11, 950, 156 58	1, 441, 344 05	25, 775, 502 72	123, 246, 648 62	33, 782, 386 78
1868-69	12, 443, 712 07	8, 365, 416 77	20, 000, 757 97	78, 501, 900 61	28, 476, 621 78

\* The first Revolutionary pensions.  
seven millions of Mexican indemnity.

† Purchase of Florida.  
The years 1849 to 1853 also embrace large sums paid to Mexico.

‡ Actual payments

*several heads of Civil List, Foreign Interference, Navy Department, War Department, Pensions, the interest and principal of the public debt.*

*issued; all previous years are from the account of warrants paid.]*

Indians.	Miscellaneous	Total ordinary expenditures.	Interest on public debt.	Principal of public debt.	Total debts and loans.	Total expenditures.
\$27,000 00	\$311,533 83	\$1,919,589 52	\$2,342,437 44	\$2,038,512 06	\$5,287,940 50	\$7,207,530 02
\$3,648 85	194,372 32	1,877,903 77	3,201,628 23	4,062,637 70	7,267,665 90	9,141,569 67
\$7,282 83	34,709 46	1,710,070 30	2,772,242 12	3,047,263 18	5,819,505 39	7,529,575 55
\$3,042 46	112,248 30	3,580,546 65	3,490,292 52	2,311,285 57	5,801,578 09	9,302,124 74
\$3,475 69	92,716 50	4,350,658 04	3,189,151 16	2,695,300 45	6,084,451 61	10,367,069 65
\$113,563 98	150,476 14	2,531,930 40	3,195,054 53	2,640,791 91	5,835,846 44	8,367,776 84
\$2,396 35	103,280 82	2,835,590 96	3,300,043 06	2,492,378 76	5,792,431 82	8,626,012 78
\$16,470 09	149,004 15	6,625,223 54	3,053,281 28	937,012 86	3,990,294 14	6,613,517 02
\$20,302 19	175,111 81	6,480,166 72	3,186,287 60	1,410,289 18	4,596,576 78	11,077,043 50
31 22	193,636 39	7,411,369 77	3,374,704 72	1,203,665 13	4,578,369 95	11,989,329 92
\$9,000 00	269,893 41	4,981,669 90	4,412,012 93	2,678,794 11	7,291,707 04	12,279,376 94
\$94,000 00	315,022 36	3,737,079 91	4,125,038 95	5,413,265 81	9,539,000 76	13,276,084 67
\$6,000 00	205,217 87	4,005,284 44	3,848,828 00	3,407,331 43	7,256,159 43	11,258,983 67
\$116,500 00	379,553 23	4,452,558 91	4,266,582 85	3,905,204 90	6,171,787 45	12,624,646 36
\$196,500 00	384,739 19	3,737,079 91	4,148,998 29	3,220,990 97	7,369,889 79	13,724,124 41
\$234,500 00	445,485 18	6,080,200 36	3,723,407 82	3,266,476 73	6,989,884 61	15,070,093 97
\$905,425 00	464,546 52	4,984,573 29	3,369,578 42	2,938,141 92	6,307,720 10	11,292,292 99
\$123,575 00	427,124 95	6,504,338 85	3,428,152 87	6,835,092 46	10,260,245 35	16,764,584 80
\$337,503 84	337,032 62	7,414,673 14	2,866,074 90	3,586,479 86	6,452,554 16	13,867,236 30
\$17,625 00	315,783 47	5,311,082 29	2,845,427 53	5,163,476 93	8,098,994 46	13,311,986 74
\$151,875 00	457,919 66	5,592,604 26	3,465,733 16	5,543,470 89	8,600,204 05	13,601,808 91
\$277,845 00	509,113 37	17,229,498 77	2,451,273 57	1,998,349 88	4,449,623 45	22,270,121 15
\$37,328 28	738,949 15	92,082,396 92	3,599,455 22	7,505,668 22	11,108,132 44	39,190,529 36
\$167,394 86	1,103,425 50	30,127,686 38	4,593,239 04	3,307,304 90	7,900,543 94	38,028,230 32
\$530,750 00	1,755,731 27	26,953,571 00	5,754,568 63	6,874,353 71	19,628,929 35	39,582,493 35
\$274,512 16	1,416,985 00	23,473,439 53	7,213,258 69	17,657,694 24	24,871,069 93	48,244,495 31
\$318,643 71	2,242,384 62	15,454,609 92	6,389,909 81	19,041,826 31	25,423,036 12	40,877,646 04
\$505,704 27	2,305,849 82	13,808,678 78	6,016,446 74	15,279,754 88	21,296,301 62	35,104,875 40
\$463,121 39	1,640,917 06	16,300,273 44	5,163,538 11	2,540,388 18	7,703,926 29	24,004,199 73
\$315,750 00	1,000,341 85	13,134,530 57	5,126,097 20	3,502,397 08	8,628,494 28	21,763,024 85
\$477,005 44	903,718 15	10,723,479 07	5,087,274 01	3,279,221 61	8,367,093 62	19,090,572 69
\$575,007 41	644,985 15	9,827,643 51	5,172,578 24	2,676,370 81	7,848,949 12	17,676,592 63
\$380,781 82	671,063 78	9,784,154 55	4,922,684 60	6,607,331 88	5,530,016 41	15,314,171 00
\$429,987 90	678,942 74	15,390,144 71	4,996,562 08	11,571,231 68	16,598,393 70	31,898,538 47
\$374,106 44	1,046,113 40	11,490,459 94	4,366,769 08	7,728,575 70	12,085,344 78	23,585,804 73
\$743,447 81	1,110,713 23	13,062,316 27	3,973,480 54	7,067,601 65	11,041,082 19	24,103,308 46
\$760,624 88	826,123 67	12,653,095 65	3,486,071 51	6,517,596 88	10,003,668 39	22,656,764 04
\$705,084 24	219,368 40	13,296,041 45	3,098,800 59	9,064,637 48	12,163,438 07	25,459,479 92
\$716,344 74	1,565,679 66	12,660,400 62	2,542,843 23	9,941,044 55	12,383,867 78	25,444,358 40
\$922,262 47	1,363,624 13	13,229,533 33	1,913,533 40	9,442,214 50	11,355,748 22	24,585,281 55
\$686,167 98	1,392,336 11	13,864,067 06	1,383,582 95	14,790,295 27	16,174,728 92	30,038,446 12
1,352,323 40	2,451,202 64	16,516,388 77	772,561 50	17,067,747 51	17,840,309 29	34,356,608 06
\$1,277,977 08	3,198,091 77	22,713,755 11	303,796 87	1,239,746 51	1,543,543 38	24,257,298 49
1,002,625 07	2,082,565 00	18,425,417 25	902,152 98	5,974,412 21	6,176,565 19	24,601,982 44
1,637,652 80	1,549,390 74	17,514,950 28	57,863 08	328 20	58,191 98	17,573,141 56
4,993,160 11	2,749,721 60	30,868,164 04	163,389 85	3,140 32	66,500 17	30,934,664 21
4,209,594 62	2,932,428 93	37,243,214 24	.....	21,822 91	21,822 91	37,265,037 15
5,313,245 81	3,256,868 18	32,849,718 06	14,907 54	5,590,722 73	5,605,720 27	39,455,438 35
2,218,967 18	2,621,340 20	28,406,948 72	399,834 24	10,712,153 19	11,117,987 43	37,614,936 15
2,271,857 10	2,575,351 50	24,139,920 11	174,635 77	3,911,977 93	4,086,613 70	28,926,553 81
2,273,697 44	3,505,999 09	26,196,440 29	288,063 45	1,632,626 29	5,600,689 74	31,797,530 09
1,151,400 54	3,307,391 55	24,361,336 50	778,550 06	7,796,989 88	8,575,539 94	32,936,876 53
322,404 47	1,579,734 48	11,256,508 60	528,584 57	3,331,011 98	8,611,596 55	12,118,105 15
1,282,271 00	2,554,146 05	20,650,108 01	1,874,863 66	11,117,039 18	12,991,992 84	33,642,010 85
1,467,774 95	2,839,470 97	21,895,369 61	1,066,985 04	7,528,054 06	8,595,039 10	30,490,408 71
1,080,047 80	3,769,759 42	26,418,459 59	843,228 77	370,594 54	1,213,523 31	27,632,982 90
1,496,008 69	3,910,190 81	35,801,569 37	1,117,830 22	5,601,452 15	6,719,282 37	60,520,851 74
1,103,251 78	2,554,453 37	45,227,454 77	3,391,652 17	13,036,036 25	15,457,688 42	60,655,143 19
9,590,263 25	3,111,140 61	39,933,542 61	3,554,419 40	12,898,640 73	16,452,880 13	56,386,422 74
1,663,591 47	7,025,450 16	37,165,990 99	3,884,406 95	3,554,321 22	4,328,728 17	44,604,718 26
2,820,801 77	6,146,577 33	44,049,949 48	3,711,407 40	7,414,947 43	4,426,154 83	48,476,104 31
3,043,576 04	9,867,926 64	40,389,954 56	4,002,014 13	2,320,640 10	6,322,654 27	46,712,608 83
3,900,537 87	12,246,335 03	44,078,156 35	3,666,905 24	6,832,000 15	10,498,905 35	54,577,061 74
1,413,995 08	13,461,450 19	51,142,138 42	3,074,078 33	21,256,902 33	24,335,980 66	75,473,119 08
2,708,347 71	16,738,442 29	56,312,097 72	2,315,996 25	7,536,681 99	9,852,678 24	66,164,775 96
2,596,465 92	15,260,475 94	60,533,836 45	1,954,752 34	10,437,772 78	12,392,505 12	72,726,341 57
2,441,628 60	18,946,189 91	65,032,559 76	1,594,845 44	4,647,182 17	6,242,027 61	71,274,587 37
4,976,871 34	17,847,251 19	72,291,119 70	1,652,774 23	8,118,292 81	9,771,067 04	82,062,186 74
4,551,566 58	16,873,731 68	66,327,405 72	2,637,664 39	14,713,572 81	17,351,237 20	83,678,643 92
2,991,121 54	20,708,183 43	60,010,112 58	3,144,620 94	13,900,392 13	17,045,013 07	77,055,125 65
2,865,481 17	16,026,574 79	62,537,717 62	4,034,157 30	18,815,984 16	22,850,141 46	85,387,313 08
2,223,402 27	14,129,771 52	61,554,453 71	13,190,324 45	96,996,929 09	109,287,246 54	570,841,700 25
1,976,326 35	15,671,890 94	469,158,148 97	24,729,846 61	181,086,635 07	205,816,481 68	895,796,630 65
2,538,297 80	18,155,730 31	811,548,666 17	53,685,421 65	430,197,114 03	483,882,535 72	1,298,144,656 00
4,966,964 00	29,670,795 17	1,212,911,270 41	77,397,712 00	607,361,241 63	684,758,953 68	1,974,674,224 09
3,247,064 56	27,430,744 81	387,683,198 79	133,007,541 69	630,321,725 61	733,389,467 30	1,141,072,066 09
4,642,531 77	33,975,948 46	202,947,537 42	143,781,591 91	746,350,525 94	890,132,117 85	1,093,079,653 27
4,100,622 32	39,618,367 04	229,915,088 11	147,425,196 75	692,549,685 88	839,974,889 63	1,069,880,970 74
2,042,923 06	35,664,932 60	190,496,354 95	130,694,242 80	263,587,398 36	394,281,641 16	584,777,996 11

on the public debt, but not carried into the totals because of repayments to the treasury. § Includes  
 This amount includes \$7,001,151 04 premium on treasury notes, per acts of June 30, 1864, and Mar. 3, 1865.

REPORT OF THE DEPUTY SPECIAL COMMISSIONER OF THE  
REVENUE, IN CHARGE OF THE BUREAU OF STATISTICS.TREASURY DEPARTMENT,  
*Bureau of Statistics, October 13, 1869.*

SIR: I have the honor to report as follows concerning the operations of this bureau during the fiscal year ending June 30, 1869.

The work of the office during the past year has been almost entirely confined to the accounts of commerce and navigation. On assuming charge of the bureau in January last, I found a portion of the clerical force employed in the preparation of certain statements relating to population, transportation, and manufacturing industry. Upon examining the condition of this work, I soon became satisfied that the results which would be reached by the method undertaken, in each and every case, would be so partial and fragmentary as to be of the least possible statistical value; while the publication of even what had been obtained would only make more painfully apparent the failure to extend the investigations of the bureau in these several directions. I accordingly put a stop to the work, and distributed the force employed, among the other divisions of the bureau, by which means it became possible to undertake certain new commercial accounts of real statistical importance, for which no time had previously been found, and also to effect a considerable reduction in the number of persons employed, even prior to the general reduction effected in the department. The action thus taken may, perhaps, require additional explanation.

The act approved July 28, 1866, makes it the duty of the head of this bureau to "Collect, digest, and arrange for the use of Congress statistics of the manufactures of the United States, their localities, sources of raw materials, markets, exchanges with the producing regions of the country, transportation of products, wages, and such other conditions as are found to affect their prosperity." This duty, however, I have judged to be dependent upon circumstances, and the law to be, to a considerable extent, permissive rather than mandatory. I cannot think that it was intended that the director of the bureau, or the officer who, by the act of July 20, 1868, succeeds to the charge, should persist in efforts to secure such statistics after it had been fully proved that the absence of any legal right to exact information, and the general temper of the corporations and individuals who are expected voluntarily to furnish the material of such statistics, render it impossible to secure results worthy of publication. This latter condition I found so distinctly existing as to justify the temporary cessation of efforts to accomplish the intention of Congress in this respect. So little had the conduct of the bureau commanded the confidence of the business community generally, that not seven per cent. in number, nor probably one per cent. if capital and production were counted, of the manufacturers of the country made any response to the calls for information by which it was intended to enumerate the industry of the country in anticipation of the ninth census. Under these circumstances, to persist in the effort was so manifestly a waste of public money, that no hesitation was felt in discontinuing every enterprise of this nature.

I beg to say, however, that this failure to realize the object of the act of July 28, ought not to be considered as conclusive in regard to the practicability of collecting, periodically, statistics of the highest possible value, in regard to industry, population, and social condition, in this country. The unfortunate result of the first enterprise of this nature

does not discredit the possibility of success upon better methods and under more favorable conditions.

I enter thus fully into an explanation which is of a somewhat delicate nature, feeling that it is highly important that this temporary withdrawal from the wide statistical field, opened by the act of July 28, should not be construed as a permanent abandonment of an enterprise having so much promise for the scholarship and statesmanship of the country, notwithstanding that the peculiarities of our political organization, which vest the control of so many matters which are the subjects of statistical inquiry in the several States, involve the collection of social, industrial, and miscellaneous statistics with us in many difficulties which are not encountered in other countries. It would surely not be wise nor brave to conclude that the department of social and industrial knowledge is hopelessly closed in the United States, on account of a single failure occurring under conditions certainly not fortunate. I fully believe that it will yet be possible, with cautious and judicious treatment, to realize, little by little, the objects of the statistical law of 1866. The reason for refraining from any new effort in this direction during the year closed, was twofold:

First. It was thought desirable to allow the public to forget, as far as possible, the failures that had taken place, before beginning any new enterprise of the same character, which, however just the methods pursued, might be hindered, or fail, simply by reason of prejudices derived from previous attempts. It was believed that, by concentrating the entire force of the bureau, and directing it to the one end of making the statistics of trade and navigation, where the powers of the bureau to exact information are ample, more complete, accurate, and prompt in publication than they had ever been, the work of collecting general statistics might be resumed at a more propitious moment, not only without prejudice from previous efforts, but with a degree of public confidence which would materially assist the attainment of the important objects sought. It is an admitted principle that even the census of the country, notwithstanding the full legal powers with which the agents of the government are armed, inevitably depends for much of its value upon the public respect; and this condition has been formally recognized, both in this and in other countries, by appeals to the press and the clergy for their moral support. Much more must a statistical bureau, whose legal powers are necessarily imperfect, rely upon the moral support of the community, and cultivate the public confidence as a condition of success. It is believed that the improvement which has of late, by universal consent, been exhibited in the commercial statistics of the country has tended to secure this confidence; and that a continuance of the same methods will result in giving to the inquiries of the bureau such a degree of public respect as will enable it to accomplish, by degrees, the important objects contemplated in its erection.

Secondly. The near approach of the census of 1870 made it undesirable on all accounts to undertake any considerable collection of industrial or social statistics. The extensive system of correspondence necessary to secure such results could hardly have been brought into working order before the occurrence of the census, which, with its full legal powers and its highly organized agencies, would cover the whole ground of such inquiries, and thus render the previous work of the bureau useless. Taking, however, the results of the census of 1870 as a basis, it might be possible for the Bureau of Statistics to carry forward these results, at least in the most important parts, from year to year, so as to avoid that painful hiatus which now occurs every decennial period, in the industrial

and social knowledge of our country, owing to the rapid growth and extension of population and industry, rendering calculations upon averages and percentages almost useless for attaining the true condition of the country, as a whole or in any particular, at any given time, especially after the middle of the ten-years period.

It has been from this two-fold consideration that efforts for the collection of social, industrial, and miscellaneous statistics, authorized by the act of July 28, 1866, have been temporarily suspended.

That portion of the work of the bureau which, by the statistical law of February 10, 1820, is obligatory, namely, the compilation of the statistics of trade and navigation, has been carried on during the year, it is believed, with success. An examination of the records of the department, and of the published reports for a series of years, shows conclusively a marked increase in comprehensiveness and accuracy during the past three years over any former period, and in each one of those three years over the year preceding. The mere erection of the bureau had an undoubted and considerable effect in improving the statistics of trade and navigation. As a recognition of the importance of these inquiries, it had that effect upon collectors of customs and their subordinates; while, by providing for the organization of a force in the department itself, for that special and exclusive work, it was made certain that the returns from the custom-houses would be scrutinized and analyzed as they never had been, or would be without such an organization. The joint result of these two causes has been to draw a clear line between the early reports of commerce and navigation and those which are now issued, as regards completeness and correctness. So decided is this difference as almost to invalidate comparisons with preceding periods; but the material now furnished for statistical retrospect and comparison, as well as the information afforded as to the present condition of the trade of the country, approaches as near to perfect accuracy as the extent of the transactions will allow. It is believed that the annual tables of commerce and navigation for the year just closed, which will be submitted to you as the material for the annual report upon that subject, will bear any degree of fair and candid examination. The immense extent of the transactions at the port of New York, constituting four-sevenths of the entire foreign trade of the country, will justify me in alluding to the excellent organization of the statistical service at that custom-house, to which, as much as to any single cause, is due the increased accuracy of the commercial statistics of the country.

The monthly reports of the bureau, authorized by existing laws, have been continued through the year, though with a slight departure from the usual order. No report of the trade of the country was published during the year until the 22d of last March, owing to the change in the direction of the bureau, and to the delays caused by the introduction of entirely new forms for many reports, beginning with the first of July, 1868. After the monthly reports for July, August, and September had been printed, it was found necessary, in order to bring the work more rapidly up to date, to issue the trade statements of October, November, and December, as one number, and of January, February, and March as another single number. By this means the arrears of the work were fully brought up before the close of the year, and the accounts of the trade of the month ending June 30 were sent to press before the 10th of August. The department of consular reports and of miscellaneous statistics, in these publications, has been continued, and special attention given to presenting in a brief form the most important and sig-

nificant facts of the trade and industry of the nations with which the United States have the largest commercial relations.

The work of numbering the mercantile marine of the United States, which, by the act of July 28, 1866, was made the duty of the director of the Bureau of Statistics, has proceeded during the year, and the first annual list of vessels belonging to the United States, required by that act, has been published, while the second is approaching completion. The inauguration of such a system was inevitably attended with difficulties and delays, but is now in full and satisfactory operation, and hereafter it will be practicable to furnish the country with late and complete accounts of its mercantile marine. The institution of these inquiries has succeeded in clearing from the lists of vessels belonging to the United States, a vast amount of purely fictitious tonnage, which had been carried forward from year to year, notwithstanding the fact that thousands of the vessels which this tonnage originally represented had been meanwhile lost at sea, broken up, or sold abroad. The first result is to show an apparent diminution in the mercantile marine of the United States; but such a sifting of our tonnage statements was indispensable for obtaining anything like a correct view of the condition of the country in this particular, and to afford means for trustworthy comparisons in the future.

It becomes one of the most considerable duties of an office of this character to answer inquiries of a statistical nature from a vast number of sources. Such a work can never be properly represented by the mere statement of letters written and received. A portion of the force of the bureau has been engaged, with a good degree of regularity, in furnishing information asked by our diplomatic representatives abroad and by the representatives of foreign governments in the United States, by members of both houses of Congress and committees of the same, and by the press and the citizens of the country generally. It has been considered that, within the limits of the ability of the office, this work was eminently proper and desirable, and no pains have been spared to furnish promptly and fully the information sought, whenever it was within the range of the inquiries of the bureau. In all cases the assistance which the office was thus enabled to afford has been cordially recognized and acknowledged.

Very respectfully, your obedient servant,

FRANCIS A. WALKER,

*Deputy Special Commissioner of the Revenue, in charge.*

HON. GEORGE S. BOUTWELL,

*Secretary of the Treasury.*

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## REPORT OF THE DIRECTOR OF THE MINT.

MINT OF THE UNITED STATES,  
*Philadelphia, September 27, 1869.*

SIR: I have the honor to submit the following report of the operations of the Mint and branches for the fiscal year ending June 30, 1869.

The deposits of bullion at the Mint and branches during the fiscal year were as follows:

Gold, \$31,463,249 76; silver, \$1,790,453 49; total, \$33,253,703 25. From this total a deduction must be made for the bullion re-deposited,



or bars made at one branch of the Mint and re-deposited in another for coinage. Deducting the re-deposits, the amount will be \$32,940,258.

The coinage for the same period was as follows: Gold coin, pieces, 1,181,302; value, \$21,828,637 50; unparted and fine gold bars, \$10,199,328 53; silver coin, pieces, 1,702,616; value, \$840,746 50; silver bars, \$734,190 67; nickel, copper, and bronze coinage, pieces, 33,782,750; value, \$1,279,055.

Total number of pieces struck, 36,666,668; total value of coinage, \$34,881,958 20.

The distribution of the bullion received at the Mint and branches was as follows:

At Philadelphia, gold deposited \$3,681,960 34; gold coined, \$3,178,637 50; fine gold bars, \$130,141 91; silver deposited and purchased, \$503,840 89; silver coined, \$434,746 50; silver bars, \$92,090 12; nickel, copper, and bronze coinage, value, \$1,279,055. Total deposits of gold and silver, \$4,185,801 23; total coinage, \$5,114,671 03; total number of pieces, 34,660,168.

At the branch mint, San Francisco, the gold deposits were \$17,717,393 81; gold coined, \$18,650,000; silver deposits and purchases, \$352,344 74; silver coined, \$406,000. Total deposits and purchases, \$18,069,738 55; total coinage, \$19,056,000; total number of pieces, 2,006,500.

The assay office in New York received during the year in gold bullion \$9,265,168 83; silver bullion, including purchases, \$879,439 23. Total value received, \$10,144,608 06; number of fine gold bars stamped, 6,721; value, \$9,221,914 30; silver bars, 5,764; value, \$642,100 55; total value of gold and silver bars stamped, \$9,864,014 85.

At the branch mint, Denver, Colorado, the deposits for unparted bars were, gold, \$795,566 38; silver, \$54,828 63; total deposits, \$850,395 01. The deposits at this branch for the fiscal year ending June 30, 1868, were \$363,017 78; showing an increase of \$487,377 23.

Prior to and since the recent act of Congress changing this branch from a mint to an assay office, it has been engaged in melting, assaying and stamping gold and silver bullion, returning the same to the depositors in the form of unparted bars, bearing the government stamp of weight and fineness. As an assay office it will meet all the demands of the miner, and promote as effectually the mining interests of the region as a mint for coinage could possibly do. The policy of the government in relation to the development of the mineral wealth of our country should be liberal and generous. Every encouragement should be given, and aid afforded, to promote the discovery and increase the production of the precious metals.

But all this can be accomplished without the multiplication of branch mints. Assay offices, the assumption of the risk of transporting bullion from the place of deposit to the place of coinage, and paying for bullion deposited by specie drafts on the United States Treasurer in the Atlantic States, furnishing facilities for transportation, and multiplying railroads, are some of the means and appliances by which the government can unlock the untold wealth of our nation, stimulate our enterprise, and add to our national resources and greatness.

At the branch mint, Charlotte, North Carolina, the deposits have been very limited, but are increasing. It is now in operation as an assay office; deposits being received, assayed, and returned to depositors in the form of unparted bars.

The deposits for unparted bars were, gold, \$3,160 40.

The branch mints at Dahlonega, Georgia, and at New Orleans,



Louisiana, have not been in operation since the close of the rebellion. No necessity now exists for their continuance, either as assay offices or as branch mints.

My views on the subject of assay offices and the impolicy of multiplying branch mints have been often expressed in previous reports, and to those you are respectfully referred.

The remarks of my immediate predecessor on this subject, in his last annual report, I fully approve.

The branch mint at Carson City, Nevada, is rapidly approaching completion. The machinery is nearly all in place, and operations will soon be commenced. Orders were issued to complete and put in operation as promptly as possible the assay department. This will be done. The superintendent of this branch reports that they will be ready to open early in September; and this will probably be the case so far as the general operations are concerned; but the more complicated details in reference to the furnaces, assay apparatus, &c., will require some weeks longer. From the peculiar character of the bullion that will be deposited for fine bars or coinage, the operative officers of this branch should be practical, experienced and scientific men. The deposits will be generally of mixed bullion with a gold fineness of two and one-half to forty thousandths; silver, nine hundred and forty to nine hundred and sixty, and a small percentage of base metals, lead, &c. This bullion, whether deposited for fine bars or coinage, must be refined, or refined and parted, according to the condition of the deposit. It does not seem likely that much, if any, parting will be done at Carson. The bars of mixed bullion being officially stamped with both gold and silver proportions, will be as salable in that form as if they were parted. Quotations are constantly made in the London market of silver bars containing gold, and selling accordingly. The operations of this branch will, in all probability, culminate in commercial bars, as *coin* already abounds in that region so extensively that their papers express alarm as to the prospect of a redundancy. Practically it will be much more an assay office than a mint, and as such, fully meet the wants of the district. The power to make coin may be of occasional benefit; perhaps, in the future, of much advantage. Instructions relative to the transaction of business at the branch mint at Carson, approved by the Secretary of the Treasury, have been prepared and forwarded to the superintendent of that branch.

- Under the supervision of skilled and experienced men, with an honest and energetic administration of its affairs, this branch may fully meet the expectations of its friends, and greatly promote the general prosperity of that interesting portion of our country.

I regret that I am not able to report progress in the erection of the new branch-mint building at San Francisco. It should be commenced at once, and prosecuted, without further delay, to final completion. In my report for 1866 in reference to this subject, I said: "I cannot too earnestly urge upon the government the importance of erecting a new mint building at San Francisco. The present building is not wholly unfitted for the large and increasing business of that branch mint, but unsafe and unworthy the great mineral wealth of the Pacific States. The appropriation made by Congress should be applied at once to the erection of a building, which, in architecture, size, capacity, machinery, and every useful and modern appliance, should be equal to the present and future of California." Time has strengthened my convictions of the importance of the improvement then suggested, and I repeat, unhesitatingly, the recommendation of 1866.

The redemption of the nickel-copper cents was continued during the

fiscal year, payment being made therefor in the three and five cent nickel coins. The amount thus redeemed by exchange was, in pounds, 103,536; value \$101,465 25. The redemption for the year ending June 30, 1868, was, in value, \$260,482 04; a decrease of about one hundred and fifty per centum. This marked decrease indicates that the redundancy of these small coins has been greatly diminished; and that the amount now outstanding of the one and two cent pieces is but little, if any, in excess of the actual demand for them. Existing laws provide for the redemption of *three* and *five* cent nickel-copper coins. No consideration of public interest or private convenience demands the redemption of the bronze one and two cent pieces, or the substitution of a nickel one-cent piece of the bronze coin of that denomination.

I cannot concur in the recommendation of my predecessor for the reduction and redemption of the inferior coins by creating a fund for redemption out of the profits of such coinage heretofore paid into the treasury of the United States. Existing laws meet every necessity for the redemption, by exchange, of the nickel-copper cent and of the three and five cent pieces when presented for redemption as directed by law. What advantage would, or could, accrue to the people or the government by a redemption of the inferior coins in the mode suggested? In the draught of the bill accompanying the recommendation it was provided "That the Secretary of the Treasury is hereby required to ascertain the amount which has been paid into the treasury by the Mint of the United States, beginning with the year 1857, as profits accruing from the coinage of nickel-copper and bronze pieces, which amount is hereby set apart and appropriated as a fund for the purpose hereinafter mentioned"—the redemption of such coins. Now, when it is known that the profits so paid into the treasury amount to four millions, two hundred and twenty-five thousand dollars; that the coins to be redeemed were issued for the convenience of the people, with no promise or proposal of redemption, (until the issue of the three and five cent coins)—that the public are satisfied with these coins—that they are constantly and freely circulating—that the redemption, in the manner proposed, would add nearly four millions to the public debt, the necessity or advantage, public or private, of such redemption is not apparent; and the policy is of very doubtful propriety.

The net profits of the nickel-copper and bronze coinage, and paid into the treasury of the United States during the fiscal year were seven hundred and fifty thousand dollars. As required by law, the bronze and nickel-copper alloy of the minor coinage has been regularly assayed and reported by the assayer of the mint, and the legal proportion of the constituent metals found to have been properly maintained.

#### THE MINT'S OWN WORK.

The progress of events, and the corresponding addition of statutes, have resolved the work of the Mint into three kindred departments.

The business of one of these is to make an authoritative circulating medium on a large scale of dimension for commercial uses; serving also for the use of manufacturers.

This function is shared by the assay offices. It is to make *bars* of gold or silver, whether of fine or standard metal; and in those localities where *parting* of the mixed metals cannot be economically performed, to make unparted bars, of the natural proportions of fineness. These bars are made of convenient shapes and sizes, and are stamped with a suitable device of the United States government; and the weight, fineness,

and value. They are used in the manufacture of gold and silver wares; and still more, to send abroad in payment of dues, or settlement of balances of trade. They answer this international purpose better than coin. Indeed, except for the limited wants of travelers, it is a mere waste of labor to coin money to be used for exportation. When commerce was comparatively a small affair, gold might be cut into bits to trade with; but in the immense growth of traffic among the nations, these small pieces are giving way to large bars.

For various reasons such bars are singularly exempt from deceptive arts. The known specific gravity of gold gives us an idea of what the *weight* should be, from the *size*. If the surface were tampered with, it could easily be noticed, and usually such bars, if held for sale, are in such hands as cannot be doubted. Moreover, the purchaser of a single piece, valued at several thousand dollars, will take more pains to be sure of its genuineness than he could take with a bag of pieces amounting to the same sum. Bars are safer from robbery than coins, for more than one reason, and, in fact, some silver cakes are sent to the Mint from the western mines so heavy that no two men would care to lift them. In such a shape, they can stand for their own security, and be carried as ordinary freight; which is the very reason they are made so.

Another function of the Mint, still more important in some respects, is to furnish a legal basis for the currency of the country. That legal basis, in its highest and most permanent sense, is *gold coin*; an unlimited legal tender, which does not promise to pay, but actually pays, is not a representative of property, but is property itself. It cannot satisfy hunger nor protect the human frame; but it will infallibly procure the means of doing so. It is not only a medium of exchange, but it has an intrinsic value, and is itself the standard of value; and, for the uses of money, it has and can have no rival or substitute. No country, not even the richest, need have a great deal of it. It is a scarce metal, and ought to be scarce; that is the very property which makes it fit for its purpose. No fact is more striking than that Great Britain, in some respects the wealthiest of all countries, transacts such an enormous amount of business with so little gold. It is pretty accurately ascertained, for example, that in the city of London alone the annual summing up of receipts and payments amounts to not less than *fifty thousand millions* of dollars, while the whole gold currency of the United Kingdom does not exceed five hundred millions of dollars. This is easily understood. The accelerated progress of wealth and industry has called in the aid of paper money; the gold lies underneath it, and supports it, if it be kept within bounds; and then it is the old story of the same fifty-dollar note going around the village and paying everybody's debts, on the annual pay-day.

The crop of cotton or corn serves but one turn; the crop of gold turns over and over, and has no limit but that of slow wearing out.

The third employment of the Mint, not less important than the others, is that of supplying the *change*, which is used by everybody, rich and poor, in the traffic of every hour. Here, unfortunately, the disorder in the currency, introduced by our late intestine war, still continues. The printing press takes the place of the coining press; and gossamer paper triumphs over solid silver. Even the copper coin might have been supplanted by the paper issue, reaching down to a three-cent piece. From this depth we have partly rallied. Paper issues of a less denomination than ten cents have been recalled; and in their place we have three and five-cent coins. Now that a reaction has commenced, the question arises, can we not proceed to give the people silver currency? Every

consideration of private convenience and economy, as also public policy and interest, require a speedy return to specie payments. The restoration of a silver currency "for change," in lieu of the postal or small note currency, would be an important adjuvant to a general resumption.

But while the law stands as it is, fixing the weight of silver coins at so high a figure, no man can foresee when we shall have the pleasure of paying and receiving silver. More than four years have passed since the great conflict was over, and still gold and silver are at a high premium; and for the past three years that premium has been at a tolerably steady rate, not diminishing as fast as could be wished. Indeed there are potent influences at work to keep it up. Some of these are, that our wealthy people either send their money abroad, or go abroad to spend it. If a spasm of love of country could only induce them for a short time to seek their luxuries in domestic manufactures, and cut down the extravagance of importation, we should soon be set upon our feet again, and have such a currency as is enjoyed by the other great nations of the earth. But extravagance of living, and excessive importations, are not the only reasons why the precious metals command a high premium to-day. There is no legitimate reason why the premium on gold should exceed ten per centum, nor why specie payments could not be safely resumed in three months from this date. The people have confidence in their government, and have patriotism enough to sustain and defend its credit. The promise of the nation to pay one dollar or one million dollars, apart from unwarranted and improper disturbing influences, in the estimation of all loyal and disinterested men, is equal in value to the gold or silver represented in such promise. The great financial evil of the hour—the principal disturbing element—the troubler of the nation and its finances, is the unprecedented and unprincipled stock and gold gambling in our large cities. Let that evil be abandoned or crushed out by proper legislation, and soon gold will cease to command a premium, and the entire finances and business of the country return to their natural and legitimate condition.

While, therefore, we spend nearly as fast as we make—or rather, send away our gold as fast as we dig it out—and disturb our currency and finances by dishonest gold gambling, how distant seems the prospect of returning to specie payments! There is no necessity for continuing in this condition. We can at least take one important step, and have silver *change*, by accommodating ourselves to the facts in the case, and by accepting a principle, the truth of which, however some may fight against it, has been abundantly demonstrated.

That principle is, that coins merely of a subsidiary character, and made a limited tender by law, need not have a full intrinsic value. It is a proposition too plain to call for any argument or illustration. If it did we should only point to the five-cent nickel piece, which freely circulates, although its real value is nothing like five cents.

Now if we reduce the weight of our silver coins so that their intrinsic value shall be below the market rate of silver bullion, make the legal tender of small extent, and guard by express act of Congress against an over issue, we shall have a silver currency substituted for the flimsy paper of the denominations less than one dollar. It is not very easy to find a precedent, if we needed one, for such a policy as is indicated, for few nations have been brought to such a pass. We may mention one, however, which is Austria. That country, like the United States, has for the past eight years been using paper money, almost down to the last kreutzer. The government is now replacing it with a silver currency, at a reduction of real value. No doubt the people are greatly

pleased with the change. France, Italy, Belgium, and Switzerland have also lately reduced their lesser silver coins. This they did, not to get rid of paper, to which they had not been driven, but because the relative value of silver had increased, so that they must either take that course or do without silver change. And while they were doing that they wisely reduced the intrinsic value considerably below the market rate for silver bullion, so as to be reasonably out of the reach of fluctuations, and not have to do the thing over again upon a lower basis.

They acted unwisely in reducing the fineness from the simple and symmetrical standard of nine-tenths to the awkward figure of 835 thousandths, which seems to cast ridicule upon their decimal system. The reduction, as we think, should have been in weight, not in quality. *Nine-tenths fine* and *standard* ought to be held as synonymous terms; as indeed they have become nearly everywhere except in England and Russia. England will be apt to cling to her *sterling*, as the more aristocratic and ancient title; but 925 *fine* answers no better than 900, either for plate or for coin; and it is less simple.

Impressed with these considerations, I have concurred in the desire felt by officers of the Mint and others to have some silver coins prepared, of the denominations of 50, 25, and 10 cents, of such a size and weight as would illustrate the view taken, and help to bring the subject tangibly before the department and the law-making power. Further details in regard to these specimens will be furnished when required; in the present document they would be out of place.

To supply the country at large with a new silver currency would be a vast and important business. Not less than one dollar for every inhabitant would meet the necessity. But we are ready to do it, with such allowance of time as would not be felt to be an unwise or unnecessary delay. It may be well to wait action until the premium on silver bars descended to about thirty per cent.; but in the meanwhile the needful enactments should be made, and the proper preparations authorized.

#### NEW ALLOYS FOR COINAGE.

Desirous to keep up with the times, perhaps willing to lead where the way is clear, we are constantly trying the value of new suggestions in regard to metals or alloys for current money. It will at least be interesting to speak of two, which our officers have been testing.

The first of these came to our notice in a pamphlet published in New York within the present year, entitled "Suggestions to Congress on the finances of the United States." Amidst many sound propositions and much useful information there is a suggestion, a little out of the line of argument, in regard to introducing silver change. An alloy is proposed by a German chemist residing there, upon the authority of another chemist operating in Germany, which, if adopted, it is said would supply "the finest, cheapest, and cleanest small coin of any nation in the world." Three alloys are mentioned, but the one most insisted upon is a mixture of silver, 26 per cent.; copper, 41 per cent.; nickel, 33 per cent.

This proves to be one of the many instances in which a recommendation is made upon mere theory, and without sufficient trial. Having abundant experience here in the working of all those metals, we undertook to make up such an alloy, and to test its fitness for coinage. This was done, not with faith, confessedly, but with patience. After a third melting (which was necessary) it was rolled down with great difficulty, splitting and cracking in spite of every precaution. The color was of

that mongrel tint which might be expected from the materials. Under the coining press it was barely possible to produce a feeble impression, on account of the intense hardness and danger both of breaking the dies and flawing the planchet. In short, nothing could be more unfit for coinage.

Even if it had been ductile and malleable, the infusion of silver would be a waste of that metal. As it could never be recovered without an expense equal to its value, it would be effectually buried.

Another experiment, in which nickel had its part, was to substitute that metal for copper, in making the standard silver coins; namely, nine parts silver with one part nickel. This, it was supposed, would increase the durability of the coin.

Although it is hard to imagine anything more complete and satisfactory than the silver and copper alloy, we undertook to try this substitution. It was a vain and fruitless trial. We took pure silver, and the purest nickel to be had. The fusion was of course very difficult, requiring the use of anthracite coal. The melting had to be repeated several times, till finally it was evident the two metals could not be forced into union, being even more repugnant to each other than gold and iron. The nickel was found to be scattered in extremely fine grains all through the silver, but not at all in alloy with it; much like the diffusion of iridosmine in some of the California gold, which has sometimes given the workers in gold so much trouble. The metal was soft, and easy enough to roll, although it had not much tenacity. It was simply silver, spoiled by the presence of a foreign body. The addition of a little copper, to serve as a nexus or solder for the two metals, had no effect to reconcile them. We therefore place it on record that, according to our experiments, silver and nickel are incompatible; and we are confirmed by a similar trial and result stated to have been made and obtained by the present master of the royal mint in England. In regard to the use of nickel in the arts, it is gratifying to learn that the manufacturers who had discarded it from the "German silver," on account of its great infusibility as well as its rigidity in any alloy, are now to some extent resorting to it again for vessels to be exposed to the action of heat. The plated wares, so rapidly increasing in use, ought certainly to be made of strong and substantial material. I only mention this matter for the reason that nickel is used in a part of our coinage, and it is very desirable that what is so employed should have increasing value in the line of technology.

#### INTERNATIONAL COINAGE.

This interesting subject has for years engaged the attention of leading minds in our own and other commercial countries. The matter seems to have come to a standstill, from the fact that England does not seem to be prepared to fall in with all the prerequisites. Certainly it would be an advantage to the whole world, if a pound sterling, and five dollars, and twenty-five francs, meant the same thing precisely, and were not mere approaches to each other, as they are at present. But whether it is worth while to unsettle or root out monetary systems which have become so fixed, and are found to be so satisfactory for internal purposes, merely to satisfy an exterior or commercial want, is a question which calls for very deliberate reflection. It may be that we could retain our dollar and its divisions, and England could keep to her pounds, shillings, and pence, and France to her francs, for home use; while these and other nations might unite in a *money of account*, of easy relation to

existing systems. Then all commercial and State papers could express sums of money in that common medium. We could easily learn to talk about money in two sets of terms. Our forefathers had to do it, when colonial pounds and new dollars stood in parallel columns.

But in settling upon a money of account, each nation would be obliged to yield somewhat, and not expect that other nations should bend to one. We cannot agree to the pound nor the franc; the one is too large, the other too small. If our cherished dollar will not suit other countries, we might consent to a double-dollar as the *unit*, on the ground of its being made the same as ten francs, or one hundred pence sterling.

#### TROY WEIGHTS.

: As custodian of the standard troy pound, upon which all the weights in the country, troy or avoirdupois, are based, I may be allowed to say something in regard to the prevalent double system of weights. I might rather say the treble system, since the French metrology has been permissively legalized; but as this last is not known in common use, my remarks will apply only to the two *pounds*, and their respective schedules.

The troy pound is, I may say, used not at all. The *ounce*, which proceeds from it by duodecimal division, is the normal weight of the Mint, of the silversmiths, and the apothecaries. Nowhere else is this ounce recognized. When people at large speak of pounds and ounces, they mean the avoirdupois. They weigh themselves and all their commodities by that weight.

Let me give an idea of how this double system works at the Mint. Gold and silver are weighed by the ounce troy; nickel and copper by the pound avoirdupois. All the weighable accessories and materials, from anthracite coal to acids and chemicals, are measured by the latter. Explanations have to be given, cross calculations made, and mistakes watched against. An ounce troy is 480 grains; the other ounce, 437½ grains. If we want to bargain for platinum or aluminum, a question arises as to which ounce is to be used. When we sell sweeps, it is by one weight; when we get the returns, it is by another. In short, we are often reminded of the awkward relation of 437½ to 480; and that a pound avoirdupois is equal to 14.5833 ounces troy.

Apothecaries buy by avoirdupois, and sell by troy weight. Workers in precious metals do not speak much of pounds or ounces, their ideas rather run in *pennyweights*: a misnomer for our day, referring as they do to a penny far back in the middle ages. This confusion of weights has been under consideration by our druggists, especially in the National Pharmaceutical Association, and they are much inclined to abandon troy or apothecaries' weight, as their brethren in England have done.

A recent report to parliament, presented by the standards commission, also favors the disuse of that system. But to effect a reform among us, it is necessary to have the binding force of a law; one, for example, that should provide that hereafter all weights shall be stated in the pound avoirdupois, with its multiples and divisions; and that the troy pound and its parts shall not be used in any government office, nor in accounts which are liable to be contested in courts of law.

For the sake of simplicity and uniformity, I would urge the passage of such a law. For the convenience of calculations, it were to be wished that the avoirdupois pound might be divided decimally. But in practice this may not be so important. Those who use pounds, such as

dealers in provisions, rarely use ounces; they halve and quarter the pound. The division into sixteen *ounces* gives us a weight which would form the real unit for the Mint, for apothecaries, and for silversmiths; and for our own purposes, this ounce could be divided into hundredths, as we do now with the troy ounce. In fact, it is always requisite to have several normal or starting points, according to the bulk of the article to be weighed. If the commodity is coal, we speak by the ton; if an article in the shops, we want a pound; ascending to more costly goods, we begin with the ounce; in fine, for very delicate weighings, we employ the grain. So that however neat and symmetrical a decimal scale would be, from ton to grain, its practical value may be over-estimated. For book entries, each normal weight could be decimally divided, without insisting that those primaries should have a decimal relation to each other. I say nothing in this connection of the French gram and kilogram, which by a recent law are allowed to be used here. The mint has been using them, in a small way, for many years. Their decimal scale is well fitted for assay and analysis; not so well suited to hardware and groceries.

What I have here recommended falls in so kindly with general usage and ideas, that the reform suggested could not be met by popular disapproval. And here I would quote a significant passage from the recent report of the British standards commission: "It is obvious that in this country, where the people are more accustomed to self-government than in other European countries, the executive has far less power of compelling obedience to the law in all the small transactions of trade against the wishes of the public." This remark applies even more strongly to the United States; and it shows the necessity of proceeding with great deliberation, where any radical change is projected. The metrical system has been in force more than seventy-five years in France, backed by stringent laws; and yet to this day it has hardly penetrated into the rural districts.

#### STATEMENT OF FOREIGN COINS.

The statement of the weight, fineness, and value of foreign coins, required by law to be made annually, will be found appended to this report. No additions have been made to our annual tables.

#### MEDAL DEPARTMENT.

This department has been successfully operated during the past year. A large number of medals have been made and sold.

The cabinet of coins and medals continues to attract a large number of visitors from every State in the Union. It deserves the fostering care of the government.

The statistics relating to the deposits of bullion and coinage at the Mint of the United States and branches will be found in the tabular statements hereto annexed.

Very respectfully, your obedient servant,

JAMES POLLOCK,  
*Director of the Mint.*

Hon. GEORGE S. BOUTWELL,  
*Secretary of the Treasury, Washington, D. C.*



**A.**—*Statement of deposits at the Mint of the United States, the branch mint, San Francisco, assay office, New York, and branch mints, Denver and Charlotte, during the fiscal year ending June 30, 1869.*

Description of bullion.	Mint U. S., Philadelphia.	Branch mint, San Francisco.	Assay office, New York.	Br. mint, Denver.	Br. mint, Charlotte.	Total.
<b>GOLD.</b>						
Fine bars.....	\$1,182,453 10	\$11,059,727 05				\$12,242,180 15
Unparted bars.....						
U. S. bullion.....	1,198,162 58	6,454,449 36	\$8,343,157 65	\$795,566 38	\$3,160 40	16,794,496 37
U. S. coin.....	665,127 15		108,486 29			773,613 44
Jewelers' bars.....	174,810 04		345,371 48			520,181 52
Foreign coin.....	248,970 04	129,187 97	72,222 79			450,380 80
Foreign bullion.....	212,437 43	74,029 43	395,930 62			682,397 48
<b>Total gold.....</b>	<b>3,681,960 34</b>	<b>17,717,393 81</b>	<b>9,265,168 83</b>	<b>795,566 38</b>	<b>3,160 40</b>	<b>31,463,249 76</b>
<b>SILVER.</b>						
Fine bars.....	310,633 83	168,714 73				488,348 66
U. S. bullion.....	120,108 99	89,874 36	497,417 01	54,828 63		762,228 99
U. S. coin.....	4,666 91		94,622 70			99,289 61
Jewelers' bars.....	43,416 72		152,286 65			195,703 37
Foreign coin.....	11,899 90	78,782 36	114,460 73			205,142 99
Foreign bullion.....	4,114 44	14,973 29	20,652 14			30,739 87
<b>Total silver.....</b>	<b>503,840 89</b>	<b>352,344 74</b>	<b>879,439 23</b>	<b>54,828 63</b>		<b>1,790,453 49</b>
<b>Total gold &amp; silver.....</b>	<b>4,185,801 23</b>	<b>18,069,738 55</b>	<b>10,144,608 06</b>	<b>850,395 01</b>	<b>3,160 40</b>	<b>33,253,703 25</b>
<b>Less redeposited at different institutions: gold, \$284,470 42; silver, \$28,974 83.</b>						<b>313,445 25</b>
<b>Total deposits.....</b>						<b>32,940,258 00</b>

## REPORT OF THE SUPERINTENDENT OF THE UNITED STATES COAST SURVEY.

COAST SURVEY OFFICE,  
Washington, September 30, 1869.

SIR: I have the honor to submit estimates for continuing the survey of the coast of the United States during the fiscal year 1870-71.

In connection with the same, and in explanation of details of work presented with the estimates for means, I will briefly recite the operations of the present surveying year in advance of the usual full annual report, which cannot be completed until the concluding reports of the working season have been received.

All the surveying parties that could be maintained with the appropriation are yet in the field, and will continue work in the northern sections until severity of weather makes their transfer expedient for continuing the survey of the southern and Gulf coast. The progress of the parties severally has been satisfactory, and has not been interrupted, except in the case of a few parties on the coast of Maine that suffered delay in consequence of the great storm of the 8th instant, which destroyed the camps. The regular operations of the survey have been continued on the shores of the St. Croix River, Maine; in Penobscot Bay and the adjacent waters, and on Penobscot River; on Kennebec River; on the upper shores of Casco Bay; in the vicinity of Portland; and on the coast near Kennebunkport. The harbors between Mount Desert Island and Boston have been specially examined with reference to the compilation of a Coast Pilot; and local examinations have been made to determine questions concerning the light-house service in St.

Croix River, in Prospect Harbor, Maine, and at Salem Harbor, Massachusetts. A party is organized for sounding on the Monomoy Shoals. An astronomical party at Cambridge exchanged star signals with a party at Omaha, for determining difference of longitude by the telegraph. On this work, as a basis, the geographical positions of Springfield and Mattoon, in the State of Illinois, of Burlington and Des Moines in Iowa, of Julesburg and Bushnell in Nebraska, of Ann Harbor in Michigan, and of Pittsburg in Pennsylvania, have been accurately determined.

Advantage was taken of the very favorable opportunity presented by the total eclipse of the sun on the 7th of August to make such precise observations as would be available for correcting the lunar elements. The party under my immediate direction observed at Springfield, Illinois, and three other parties of the Coast Survey made successful observations at Des Moines, Iowa, Shelbyville, Kentucky, and Bristol, Tennessee. The results will doubtless give to the determination of difference of longitude by the method of occultations and eclipses those data which were needed for its perfection. All observations made by the navigator for his position at sea will become more efficient by the improvement in the tables of the moon, which will arise from the correction of its elements.

Resuming the notice of work on the coast in geographical order, progress has been made in the detailed survey for a chart of Narraganset Bay; special examinations have been made of the channels near Sandy Hook, and of New York Harbor; and the survey has been continued on the coast of New Jersey, near Atlantic City. A special examination has been made of the light-houses, beacons, and buoys in Chesapeake Bay, as a system of aids for navigation. Work has been continued in the survey of the lower estuaries of the Chesapeake, in the main triangulation near Washington City, and in that passing southward from Cape Henry, for which also a base line has been measured near Norfolk, Virginia; in soundings off the sea-coast below Portsmouth, North Carolina; in Pamlico Sound, and on the shores of its branches in the vicinity of Pamlico River; on the bar and channels of Charleston entrance, South Carolina; on the coast of Georgia at Wilmington River and Skidaway Island; along the inland water passages below the Ogeechee; on Altamaha Sound and its branches; in the water passages between that sound and St. Simon's; on the bar and in the channels leading to Fernandina Harbor, Florida; in the Gulf Stream off the Florida Peninsula; on the Gulf coast at St. Andrew's Bay, and westward of Pensacola entrance; on the islands and in the waters of Isle au Breton Sound, Louisiana; and in Corpus Christi Bay, Texas.

On the Pacific coast the survey has been prosecuted in four sites of work on the shores of the Santa Barbara Channel. The longitude of San Francisco has been determined by the telegraphic method, in connection with Salt Lake City and other points to the eastward. The series of stations used in this determination have been already mentioned. Work has been continued on the coast of California, near Cape Mendocino; on the coast of Oregon near Port Orford, and on the Columbia River, and in Washington Territory on the shore of the Strait of Fuca.

The solar eclipse of August last was observed by a party on the Chilkat River, in Alaska, and some observations of value were obtained, though the weather was unfavorable. Taking the opportunity, the observing party determined a number of geographical positions before returning to San Francisco. Charts of all the principal harbors on the coast of Alaska have been compiled from the best information as yet availa-

ble, and have been issued from the office. In other respects the drawing and engraving has kept pace with the progress of the field-work.

The estimates for the Atlantic coast do not much exceed those of preceding years. Recent appropriations have been reductions from the estimates, so large as seriously to embarrass the operations of the survey. The estimates have been carefully revised with strict regard to economical considerations and the thorough efficiency of the service. They are offered with confidence that they will bear minute and rigid scrutiny. The necessity for the addition of twenty-one thousand dollars to the estimate of last year for the Atlantic coast, arises from the increased outlay which is required to restore the field of operations in the southern sections to a proper working condition.

The augmentation of one hundred thousand dollars in the estimates for the Pacific coast is small in comparison with its rapidly increasing development in wealth, population, and commerce, which demand a proportionate increase in all the facilities for navigation. It is especially incumbent upon the Coast Survey to make immediate provision for the supply of all the needful charts.

The item for the repairing of vessels is reduced by fifteen thousand dollars from the estimates made for that object last year, in the expectation that some provision will already have been made for the supply of new vessels in the deficiency bill, before the estimates now presented can receive the consideration of Congress. The item is, however, greater than the appropriation of last year, on account of the enhanced cost of repairs and the growing age of the vessels.

No estimate is here proposed for the extension of the survey to the coast of Alaska. If it should be thought proper by Congress to direct such an extension, an additional appropriation would be requisite.

Very respectfully,

BENJAMIN PEIRCE,  
*Superintendent U. S. Coast Survey.*

Hon. G. S. BOUTWELL,  
*Secretary of the Treasury.*

## REPORT OF SUPERINTENDENT OF STANDARD WEIGHTS AND MEASURES.

### PROGRESS OF THE CONSTRUCTION OF METRIC STANDARDS FOR THE STATES.

OFFICE OF UNITED STATES STANDARD  
WEIGHTS AND MEASURES,  
*Washington, November 15, 1869.*

SIR: I have the honor to submit herewith a report on the progress made in the construction of metric standards of length, weight, and capacity, in pursuance of joint resolution of Congress of July 27, 1866.

That resolution authorizes and directs the Secretary of the Treasury to furnish to each State one set of the standard weights and measures of the metric system. In pursuance of the same the following instructions were issued by the department:

"TREASURY DEPARTMENT,  
*August 8, 1866.*

"SIR: To enable this department to comply with the joint resolution passed at the last session of Congress, authorizing the Secretary of the

Treasury to distribute to each of the States of the Union metrical standards of weights and measures, the Office of United States Weights and Measures is hereby charged with the execution of that provision of law, and, as suggested in your letter of 6th instant, you are instructed to prepare a detailed programme of the precise kind of standards to be so furnished, with reference to their form, material, and verification; and after submitting the same to the committee on weights and measures of the National Academy of Sciences, present it with their approval to this department, together with an estimate of the probable expenditure.

"I am, very respectfully,

"WILLIAM E. CHANDLER,

"Acting Secretary of the Treasury.

"J. E. HILGARD, Esq.,

"Acting Supt. U. S. Weights and Measures, Washington, D. C."

The means in possession of the United States government for constructing copies of the metric standards are stated, in reply to an inquiry from the House Committee on Weights, Measures, and Coinage, as follows:

"OFFICE OF WEIGHTS AND MEASURES,

"Washington, May 15, 1866.

"SIR: In reply to the inquiries made by the Hon. John A. Kasson, chairman of the Committee on Uniform Coinage, Weights, and Measures, under date of 9th instant, I have the honor to make the following statement:

"1. There are in the custody of the Treasury Department, at the Office of Weights and Measures, the following authentic copies of the standard meter and standard kilogram of France, viz:

"Meter of platinum, compared and certified by Arago.

"Meter of steel, compared and certified by Silbermann.

"Kilogram of platinum, compared and certified by Arago.

"Kilogram of brass, (gilt,) compared and certified by Silbermann.

"2. The length of the meter is 39.3685 inches of the United States standard scale, and the kilogram is 15,432.2 grains, or 2 pounds 3 ounces 119.7 grains, avoirdupois.

"These numbers may be taken as exact for the meter, within  $\frac{3}{10000}$  of an inch; for the kilogram, within  $\frac{1}{10}$  grain. Experiments of comparison are still in progress. The uncertainty in the comparisons of the meters arises mainly from the fact that the yard and meter have their standard length at different temperatures, and are of different metals.

"3. The copies above enumerated may be regarded as nearly perfect as they can be made. The platinum set was procured by Mr. Gallatin for this government, and is certified to by M. Arago.

"The other set was received in exchange for a set of United States standards presented to the government of France, and has been compared and certified by M. Silbermann, the director of the *Conservatoire des Arts et Métiers*.

"No greater authenticity could be obtained.

"Very respectfully, your obedient servant,

"J. E. HILGARD,

"Acting Superintendent Weights and Measures.

"HON. SECRETARY OF THE TREASURY."

In addition to the standards above mentioned, the United States Coast Survey Office has in its custody an iron meter to which a peculiar authenticity attaches, it being one of the twelve original meters made by direct comparison with the toise. It is the property of the American Philo-

sophical Society, to which it was presented by the late Professor Hassler, who had received it from the hands of M. Tralles, a member of the commission of geometers and physicists who were charged with the construction of the metric standards.

It was deemed important to obtain a direct comparison between this meter bar and the actual standard of France, in order to guard against any changes that might have taken place since their first adjustment. Accordingly, Dr. F. A. P. Barnard, member of the National Academy of Sciences, and a commissioner to the Paris Universal Exposition of 1867, kindly undertook to make such a comparison, which was effected in August, 1867, in conjunction with M. Tresca, director of the Conservatory of Arts and Trades, where the French standards are kept. A detailed account of the comparison has been sent to this office, whence it appears that at the temperature of melting ice, there is no difference appreciable by the most delicate means of comparison between the platinum standard meter of the conservatory and the iron meter above described. We are thus assured of being able to reproduce the metric standards with all the accuracy attainable by mechanical means.

In the mean time preparations for the construction and adjustment of the metric standards were in progress, in this office, under the immediate supervision of Mr. Joseph Saxton, assistant in charge of the construction of United States standards. A programme fixing the kind, form, material, and verifications of the standards to be furnished, was agreed upon by the committee of the National Academy of Sciences, at their annual meeting in August, 1867, which was submitted to the Treasury Department and approved. It is as follows:

#### PROGRAMME OF METRIC STANDARDS.

##### 1. *List of standards to be furnished to the States.*

- Length: One meter, end measure.  
One meter, line measure, divided.  
Weight: One kilogram.  
One demi-kilogram.  
One gram, with subdivisions.  
One ten-kilogram.  
Capacity: One liter.  
One decaliter.

##### 2. *Particulars of meters.*

The end measure to be of cast steel, ten millimeters thick, thirty wide, with cylindrical ends, and small cylindrical projections in the axis, of hardened steel, with abutting faces three millimeters in diameter, to be equal to one meter, legal standard of France, at the temperature of melting ice.

The divided line measure to be of brass, composed of three parts of copper to one of zinc, the bar extending beyond the terminal lines; divided into decimeters, one decimeter into centimeters, and one centimeter into millimeters, the length between the terminal lines being equal to one meter at a temperature of the bar of about 70° Fahrenheit, and each bar to bear an inscription stating the temperature at which its length is equal to one meter. Each of these line measures to be provided with a convenient tracing frame for copying the division.

##### 3. *Particulars of weights.—Kilogram.*

The kilogram to be of brass, of an ascertained specific gravity; to be equal when weighed in a vacuum to the weight of the French platinum standard kilogram in vacuum.

Demi-kilogram, gram, and fractions to milligram.

Myriagram, or ten kilograms.

The form of the weights to be similar to the present American standard weights, so as to be handled with hooks, forks, and pincers, which will be provided.

#### 4. *Particulars of capacity measures.*

The standard liter to be of brass, composed of fifteen parts of the brass used for the meters, melted together with twelve parts of copper, and one part of tin; of a form similar to the American quart, containing a volume of distilled water which, when weighed in vacuum, equals the weight of one French standard kilogram in vacuum, the water being at the temperature of its greatest density, and the vessel at the same temperature.

The decaliter will, of course, contain ten liters, as thus defined.

#### 5. *Verifications.*

The verifications of all these standards should be made in duplicate, by different persons.

The preceding programme is submitted by the Superintendent of United States Standard Weights and Measures to the committee of the National Academy of Sciences on weights and measures, for their considerations, suggestions, and approval.

BENJAMIN PEIRCE,  
*Superintendent of United States Weights and Measures.*

Approved:

H. A. NEWTON,  
JOSEPH HENRY,  
J. E. HILGARD,  
JOS. SAXTON,  
WOLCOTT GIBBS,  
M. C. MEIGS,

*Committee of the National Academy of Sciences on  
Standard Weights and Measures.*

WASHINGTON, September 16, 1867.

A more detailed statement of the considerations which were had in view in framing this programme, and of the processes of adjustment and verification employed, will find its appropriate place in a report which should accompany the completed standards. At the date of this report, the work of construction, adjustment, and graduation is in a very advanced state. The independent verification provided for by the programme has been entered upon, to be pursued during the favorable low temperatures of the winter, and it may be expected that the greater part of the standards will be ready for delivery in the coming spring.

At the date of the last published report of my predecessor, Professor A. D. Bache, (Senate Executive Document No. 27, 34th Congress, 3d session, 1857,) not all the States had made provision for the reception and proper safe-keeping of the United States standards, which had been constructed for their use. Since that time the standards and balances have been issued, upon the call of the proper authorities, to the States of Iowa, Kansas, Massachusetts, Minnesota, Missouri, North Carolina, Rhode Island, South Carolina, Texas, Vermont, and West Virginia, to the District of Columbia, and to the Territories of Arizona, Colorado, and Utah. By direction of the department, copies of the standards have also been sent to the governments of China, Mexico, Russia, and Switzerland. Standard yards have been supplied to the surveyor gen-

erals of Colorado, Dakota, Montana, Nebraska, and Nevada. Measures will be taken to complete the delivery of these standards to the States now organized, by addressing a circular to their governors, requesting them to make preparations for their reception and safe-keeping.

Very respectfully,

BENJAMIN PEIRCE,

*Superintendent of Standard Weights and Measures.*

HON. GEO. S. BOUTWELL,

*Secretary of the Treasury.*

## REPORT OF THE SOLICITOR OF THE TREASURY.

### TREASURY DEPARTMENT,

*Solicitor's Office, November 1, 1869.*

SIR: I have the honor to transmit herewith six tabular statements exhibiting the amount, character, and results of the litigation under the direction of this office, for the fiscal year ending June 30, 1869, so far as the same are shown by the reports received from the United States attorneys for the several districts. These tables embrace, respectively—

1. Suits on transcripts of accounts of defaulting public officers, adjusted by the accounting officers of the Treasury Department.

2. Suits for the recovery of fines, penalties, and forfeitures under the customs revenue and navigation laws.

3. Suits on custom-house bonds.

4. Suits against collectors of customs and other agents of the government for refund of duties and acts done in the line of their official duty.

5. Suits in which the United States was interested, not embraced in the foregoing classification.

6. A general summary or abstract hereto appended of all the other tables.

An examination of this summary will show that the whole number of suits commenced within the year was 2,169, of which—

37 were of class 1, for the recovery of .....	\$2, 047, 027 02
491 were of class 2, for the recovery of .....	627, 654 65
1,073 were of class 3, for the recovery of .....	5, 987, 046 42
316 were of class 4.	
252 were of class 5, for the recovery of .....	1, 425, 618 89

Making a total sued for, as reported, of .....	10, 087, 346 98
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Of the whole number of suits brought 659 were disposed of within the year, as follows, to wit: 342 were decided in favor of the United States; 22 were adversely decided; 292 were settled and dismissed. In three, penalties were remitted by the Secretary of the Treasury, leaving 1,510 still pending. Of those pending at the commencement of the year, 191 were decided for the United States, 54 were decided adversely, and 427 were settled and dismissed. The entire number of suits decided or otherwise disposed of during the year was 1,333; the whole amount for which judgments were obtained, exclusive of decrees *in rem*, was \$332,833 85, and the entire amount collected from all sources was \$719,795 24.

*Statistical summary of business arising from suits in which the United States is a party or has an interest, under charge of the Solicitor of the Treasury, during the fiscal year ending June 30, 1869.*

SUITS BROUGHT DURING THE FISCAL YEAR ENDING JUNE 30, 1869.												
Judicial districts.	Suits on treasury transcripts.		Fines, penalties, and forfeitures under the customs revenue laws, &c.		Suits on custom-house bonds.		Suits against collectors or officers of the United States.		Miscellaneous suits.		Total amount reported in judgments in favor of the United States.	Total amount reported collected.
	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.		
Maine.....	1	\$3,313 51	18	\$250,000 00							\$9,610 00	\$6,379 03
New Hampshire.....			23						1		3,313 51	500 00
Vermont.....	15	1,409 00	2	9,610 00	3				23	\$460,047 48	2,600 00	5,784 57
Massachusetts.....			1	30,000 00	2	9,149 00			1	2,000 00	41,149 00	5,000 00
Connecticut.....	1	18,933 98	23	78,325 98	1				14	53,882 12	151,042 08	7,035 43
Rhode Island.....			63	13,800 67	318	64,357 77			2	16,000 00	94,148 44	2,504 32
New York, northern district.....	1	91,508 28	60	54,700 00	783	5,307,631 83	311		38	561,817 00	6,105,047 11	72,045 35
New York, eastern district.....												
New York, southern district.....												
New Jersey.....	2	143,108 07	3	500 00					3	7,778 69	151,386 76	60,068 35
Pennsylvania, eastern district.....			1	100 00					1	197 00	60,325 35	100 00
Pennsylvania, western district.....			3						3	24,323 75	24,323 75	1,300 00
Delaware.....			3						1		101,528 63	5,000 00
Maryland.....	4	101,528 63									303,425 98	1,000 00
District of Columbia.....	4	303,425 98									2,068 48	1,000 00
Virginia.....	1	1,068 48							1	1,000 00	50,100 00	1,000 00
West Virginia.....												
North Carolina.....			2	50,000 00					2	100 00	5,000 00	1,000 00
South Carolina.....									1	5,000 00	655 82	
Georgia, northern district.....			4	50 00					2	605 82	737 61	
Georgia, southern district.....												
Florida, northern district.....												
Florida, southern district.....												
Alabama, northern district.....	1	737 61										
Alabama, middle district.....												
Alabama, southern district.....												
Louisiana.....	9	1,040,895 15	12	1,500 00	7	323,695 00			2	200,000 00	1,570,090 15	



## REPORT OF THE SECRETARY OF THE TREASURY.

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[illegible]



Arkansas, western district.....	3	1	2		4	10	96,700 00	7			832 30	13	97,200 00	952 30
Missouri, eastern district.....	2	1			4	7	11,500 00	3			1,507 25	7	11,530 00	1,507 25
Missouri, western district.....	6		4		2	12	3,300 00	6			4,241 52	16	9,700 00	4,241 52
Tennessee, eastern district.....														
Tennessee, middle district.....														
Tennessee, western district.....														
Tennessee.....							4,781 05	4			281 05	5	4,781 05	281 05
Kentucky.....	4					3	1,050 00	16				16	1,320 00	11,430 09
Ohio, northern district.....	7		6			10	4,000 00	2			11,375 00	6	6,043 00	5,889 13
Ohio, southern district.....	19	5	1			13	1,500 00	1			2,650 00	8	7,712 88	1,669 13
Indiana.....	1		9			39	1,500 00	6			500 00	25	3,325 00	3,000 00
Illinois, northern district.....	5		1			18	200 00	3				4	3,150 00	3,000 00
Illinois, southern district.....						12	150 00	2				7	1,000 00	708 46
Michigan, eastern district.....						1	1,000 00					5	27,301 42	35,576 45
Michigan, western district.....	105	6	10			184	5,865 00	25	3	4	11,873 78	153	653 00	4,823 00
Wisconsin.....	2	3				1	550 00	4			4,723 00	5	16,543 04	13,457 41
Iowa.....	1		1			14	16,543 04	3	2		10,966 43	5	11,057 32	11,057 32
Minnesota.....						1					1,670 51	1	9,500 00	1,670 51
Kansas.....	39		5			1	2,000 00	2			8,869 79	41	34,246 14	8,869 79
California.....	30	3				45	34,246 14	2	3	33	97,868 69	71	4,500 00	176,163 33
Oregon.....						1	4,500 00	1			6,134 50	2		6,134 50
Nevada.....														
Nebbraska.....														
Washington Territory.....	2					2		2			615 00	4	50 00	665 00
New Mexico.....														
Dakota.....	1					1		1			450 00	2		673 35
Idaho.....														
Colorado.....						1								
Arizona.....														
Montana.....														
Total.....	342	92	292	3	1,510	2,169	290,763 80	191	54	427	391,436 78	533	333,833 85	719,705 24

The following tables exhibit a comparative view of the litigation of the last year and the next preceding one:

*In suits commenced during the fiscal years ending June 30, 1868, and June 30, 1869.*

Date.	Aggregate sued for.	Aggregate in judgments for the United States.	Collected.	Decided for the United States.	Decided against the United States.	Settled and dismissed.	Remitted.	Pending.	Total number of suits brought.
June 30, 1868.....	\$10,970,147 59	\$345,740 67	\$449,608 44	417	40	193	19	1,335	2,004
June 30, 1869.....	10,057,346 98	72,070 05	328,358 46	342	22	292	3	1,510	2,169

*In suits commenced prior to the fiscal years ending June 30, 1868, and June 30, 1869.*

Date.	Aggregate of judgments in old suits.	Decided for the United States.	Decided against the United States.	Settled and dismissed.	Collections in old suits.	Total number of suits disposed of.	Whole number of judgments in favor of the U. S.	Whole amount of judgments.	Whole amount collected.
June 30, 1868.	\$198,130 69	130	48	238	\$194,908 98	1,085	547	\$473,871 36	\$644,517 42
June 30, 1869.	260,763 80	191	54	427	391,436 78	1,333	533	332,833 85	719,795 24

I am, very respectfully,

E. C. DANFIELD,  
*Solicitor of the Treasury.*

Hon. GEORGE S. BOUTWELL,  
*Secretary of the Treasury.*

## REPORT OF THE UNITED STATES LIGHT-HOUSE BOARD.

[Light-house Board of the United States, organized in conformity to the act of Congress approved August 31, 1852.]

### LIST OF MEMBERS.

Hon. GEORGE S. BOUTWELL, *Secretary of the Treasury, Ex-officio President.*

REAR-ADMIRAL W. B. SHUBRICK, U. S. Navy,  
Chairman.

PROF. JOSEPH HENRY, LL. D., *Secretary Smithsonian Institution.*

BREVET BRIG. GEN. HARTMAN BACHE, Colonel  
of Engineers.

BREVET MAJ. GEN. RICHARD DELAFIELD,  
Brigadier General of Engineers.

REAR-ADMIRAL C. K. STRIBLING, U. S. Navy.  
PROF. BENJ. PEIRCE, LL. D., *Superintendent Coast Survey.*

COMMODORE THORNTON A. JENKINS, U. S.  
Navy, *Naval Secretary.*

BREVET BRIG. GEN. O. M. POE, *Major of Engineers, Engineer Secretary.*

## CHAIRMEN OF COMMITTEES.

*Finance*.—GENERAL RICHARD DELAFIELD.*Lighting*.—PROF. BENJ. PEIRCE.*Engineering*.—GENERAL HARTMAN BACHE.*Floating Aids*.—ADMIRAL C. K. STRIBLING.*Experiments*.—PROF. JOSEPH HENRY.

The Chairmen and Secretaries are *ex-officio* members of all committees.

## TREASURY DEPARTMENT,

*Office Light-house Board, October 15, 1869.*

SIR: I have the honor respectfully to submit for your consideration, and for the information of Congress, a report of the operations of the light-house establishment during the past year.

It has been the endeavor of the board to conduct the administration of the establishment at all times with the most rigid regard to true economy and efficiency, holding its agents to the strictest personal responsibility in the performance of duty; making frequent supervisory visits to, and examination of, works of construction and repair, and requiring inspections and reports, at short intervals, of all existing lights, fog-signals, beacons, and buoys in position.

The detailed statements under the heads of the respective districts, based upon the reports of the engineers and inspectors, show the actual condition of all the aids to navigation, and it will be seen that while the lights and other aids are in a condition of efficiency, so far as they are required to meet the wants of the mariner, there are many stations at which renovations and improvements are greatly needed, and a few at which reconstructions are indispensable. The necessity for these rebuildings, renovations, and improvements arises from the natural decay of buildings and sites so greatly exposed to the action of the storm winds and heavy seas, as are most of the light and beacon stations during the equinoctial winter seasons of storms.

The estimates submitted with this report for the fiscal year ending June 30, 1871, show a small aggregate increase in the amount over the appropriations for the current fiscal year. This small increase is caused by the necessity to provide the necessary means for the support of additional aids authorized by Congress. Some of the items, under the different heads of estimates, differ in amount from those of last year. The small increase of amount for supplies is caused by the increased number of fog-signals, requiring a larger quantity of coal than those heretofore in use at several important points, and for supplies for new stations. Where the amounts under particular heads, as in the light-vessel service, are diminished, they are caused by the substitution of permanent light-houses (costing annually much less for their maintenance) for light-vessels. Many additional aids to navigation have been authorized, and will be in use during the present and next fiscal year, on the southern coast and on the interior navigable waters, which were destroyed during the rebellion, but have again become necessary. At several important points on the Pacific coast light-houses are being built; and the greatly increased and daily increasing commerce of the upper lakes of the Northwest renders it necessary to establish all the fixed and floating aids authorized and required there without delay.

The estimates for special objects and localities embrace only such as it is believed are required to subserve the best interests of the country. No new aid to navigation has been estimated for, which has not been

examined into and favorably reported upon, while many applications for lights at different points have not been included for want of satisfactory information in regard to their necessity or importance at this time.

The board feels bound to invite the attention of Congress in a special manner to the great necessity which has long existed for lighting the dangerous coast between Capes Henry and Hatteras, a distance of nearly one hundred and twenty miles, upon which there is nothing to aid the mariner. Prior to 1861 there was a small light at Body's Island, which was destroyed during the war. To complete the illumination of this part of the coast, one light at the central position of the present unlighted coast is of pressing necessity, with two smaller lights, one on either side of it, at the same time or subsequent to the erection of the principal one. Of like importance is a first-class light on Alligator Reef, (Florida Pass,) the only remaining dark space of sixty-one nautical miles on those dangerous reefs. This station was embraced in the original programme of sea-coast lights, and its erection would doubtless have been authorized long ago, but for the pressure of other works on those reefs before the war, and the impossibility of doing anything there from 1861 to 1866. Special estimates have been submitted for these lights.

W. B. SHUPRICK, *Chairman.*

•   •   •   •   •   •   •   •  
 THONTON A. JENKINS, *Naval Secretary*  
 O. M. POE, *Engineer Secretary.*

# REPORT

OF

## THE SECRETARY OF WAR.

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WAR DEPARTMENT,  
*Washington City, November 20, 1869.*

**MR. PRESIDENT:** I have the honor to submit my report as Secretary of War, together with the reports of the General of the army, and the different bureaus of the department made since the last annual report.

I took charge of the office on November 1, 1869, relieving the General of the army, who had, with marked zeal and ability, performed its duties since the death of Secretary John A. Rawlins, on September 6, 1869. Of General Rawlins it can with truth be said that the virtues of true manhood characterized his life as soldier, citizen, and statesman, while on the records of the department will ever remain the evidences of his high honor, his patriotism, and his sagacious judgment.

During the month of October the General of the army was acting as Secretary of War, and the annual reports, which were by his direction addressed to the Adjutant General of the army, have been, with his own report, transmitted to me. As the duties of the office were assumed but a few days prior to the date of this report, few recommendations will be made at length, but the material matters of the reports presented will be referred to as concisely as possible.

### REPORT OF THE GENERAL OF THE ARMY.

This report gives a clear view of the administration of the army, and is very full, both in the statement of its present condition and recommendations for its future organization. Its importance is such that a synopsis cannot justly be given, and it is submitted with the following remarks:

There are twelve departments and three districts, each under the command of a general officer, and the departments are formed into four military divisions, commanded by the four generals next in rank to the General of the army. The regular army consists of five regiments of artillery, ten of cavalry, twenty-five of infantry, the battalion of engineers, and the corps of cadets, the latter undergoing instruction at the Military Academy. All the regiments are on duty, and the General refers to the manner in which their work has been done, under the exposure to which they were subjected, as meriting the commendation of the country. In

conformity with the act of July 28, 1866, and by the direction of the Secretary of War, a board of officers prepared a new code of the articles of war, which was, on February 1, 1868, transmitted to Congress. A system of regulations was also compiled, both code and regulations receiving the approval of the then General of the army, and on June 12, 1868, Secretary Schofield asked the adoption of the new articles of war, and the repeal of so much of the act as directs "the existing regulations to remain in force until Congress shall have acted on said report." It is very desirable that legislation be had enacting the rules and articles of war and approving the new regulations.

After the consolidation made in accordance with the act of March 3, 1869, there remained, on November 1, 509 unattached officers. All of these have been assigned to duty excepting 156, who are "awaiting orders." It seems equitable and just, should a reduction be made, that officers awaiting orders by their own request, and preferring that to active duty, should have less claim for retention than those who applied for assignment. Of this class there are 139 officers. Some of them, however, had special reasons for asking to be placed on the "awaiting orders" list, which the department recognized, and which should be regarded.

It is certainly fair that the consequences of reduction of officers should fall proportionately on cavalry, artillery, and infantry, and, should Congress act in the matter, it is proper that this consideration should not be overlooked. In reference to the question of reduction, I concur with the report in recommending that authority be given to retire a greater number of officers for cause than is now allowed by law—7 per cent. of the officers of the whole army.

The present maximum of the army is 52,234 enlisted men. Relying on two-thirds for actual service, the number of men is 34,822. By the plan of organization submitted in the report there would be 42,650 men. Two-thirds for actual service would be 29,750 men, below which it would not be prudent to go, as the necessities of the country and the great extent of territory to be protected will require every man of that number.

Section 6 of the act of March 3, 1869, provides, "That until otherwise directed by law there shall be no new appointments and no promotions in the Adjutant General's Department, in the Inspector General's Department, in the Quartermasters' Department, in the Commissary Department, in the Ordnance Department, in the Engineer Department, and in the Medical Department." I recommend that the staff corps be retained at the standard fixed by the act of July 28, 1866, and that the clause prohibiting appointments and promotions be repealed, in order that vacancies may be filled as was the practice prior to the passage of the act of March 3, 1869. Although the army may be smaller than heretofore, experience has shown that these officers are as necessary for the smaller as the larger force.



The recommendations of the General of the army as to its future organization are presented for your consideration without abridgment. He refers fully to the reports of the heads of bureaus. The remarks made by myself as to these will be found embodied in the abstracts of the reports hereinafter referred to.

#### ADJUTANT GENERAL'S DEPARTMENT.

The Adjutant General submits a table of the "Organization of the Regular Army," an exhibit of the actual strength of the army, and a statement of the position and distribution of troops. He recommends a repeal of so much of section 6 of the act of March 3, 1869, as prohibits further appointment or promotion, leaving the organization of the Adjutant General's Department as it was fixed by section 10 act of July 28, 1866, and also embodies in his report other recommendations.

#### INSPECTION DEPARTMENT.

The results of the inspection service during the past year have been to discover and bring to the notice of the proper authorities the qualifications of officers to fill the positions assigned them; the condition of troops in regard to discipline, drill, and efficiency—whether duty has been neglected; laws, regulations, or orders violated; public property misapplied, lost, or wantonly destroyed; whether there have been extravagant or unnecessary expenditures of public money, stores, or material; and the personal responsibility for all irregularities and abuses, with suggestions for remedial action.

The report shows that, through the agency of this branch of the service, there has been continued improvement in the discipline and efficiency of the troops, as well as the promotion of a more discriminating and careful regard for the economical application of public money and property.

The number of inspectors now provided by law is deemed insufficient for the requirements of the service. An increase in the number of assistant inspectors general is therefore recommended.

#### BUREAU OF MILITARY JUSTICE.

The Judge Advocate General reports the number of records of military courts received, reviewed, and registered, to be 14,944; number of special reports made, 1,352. This bureau, in addition to its regular duties, has been charged with the duty of systematically arranging and indexing the important state papers belonging to the offices of the late Colonel L. C. Turner, judge advocate, and Brigadier General L. C. Baker, provost marshal, and the work is steadily progressing. Lists are also being prepared of the fines and forfeitures imposed by military courts, and of cases of remission of the same.

## QUARTERMASTER'S DEPARTMENT.

The expenses of the Quartermaster's Department during the fiscal year ending June 30, 1869, were \$21,968,484 08, a reduction of fourteen and a half millions below those of the preceding fiscal year.

In February, 1869, the number of civilians hired by this department exceeded ten thousand, which has since been reduced to four thousand. Five hundred line officers have done duty in the Quartermaster's Department, in addition to the officers of that establishment, eighty-four in number.

The report states that the clerical force of this office has been reduced so low by late legislation as to seriously retard the public business, and to provide for the settlement of accounts, some increase in the force is necessary.

A building capable of accommodating all the bureaus of the War Department, fire-proof and secure, is much needed. Military records of great value are exposed to destruction, and are so scattered as to impede and delay the public business. The monthly rental of buildings at Washington, and lots occupied by buildings owned by the United States, amounted to \$4,264 19, being a yearly rental of \$50,954 28.

The railway companies, to which the military railroad material of the Quartermaster's Department was sold on credit at the end of the war, incurred a debt originally of \$7,591,406. Interest has increased this amount to \$9,000,000, about one-half of which has been paid; but some railroads being in default and showing no disposition to meet their obligations, suit has been lately ordered to be brought against them.

But few vessels have been owned by this department during the year.

The railroads of the country, having declined to adhere to the war rates of transportation, have been paid during the fiscal year upon their general tariffs, with a classification of military supplies settled in conference at a convention of general freight agents. There have been paid for water transportation during the year \$1,424,222 82, and for railroad transportation \$2,253,304 30. Of this amount \$933,166 21 was paid to the Pacific railroads, one-half being paid in cash, and the other half retained in the Treasury to meet the interest on the bonds guaranteed by the United States. During the year 96,000 persons, 3,700 animals, and 62,000 tons of stores have been moved by water, and 60,000 persons, 14,000 animals, and 40,000 tons of stores by railroad. 27,000 tons of stores have been moved by contractors for wagon transportation. The Pacific railroad has occupied some of the principal routes of former wagon transportation, and has saved the government much money in supplying the posts along its line.

By arrangement between the Departments of War and the Interior, supplies for the Indian service are now transported by the Quartermaster's Department on routes in the Indian Territory—the actual cost, under the contracts, being refunded to the War Department out of the

appropriation of \$2,000,000 for pacification of the Indians, granted April 10, 1869.

Although the amount of clothing and equipage on hand at the end of the war has been reduced by sales and issues, there still remains a stock valued at over \$42,000,000. The general depots have been reduced to four, and at only two of them is there any large collection of material, viz: at the Schuylkill Arsenal on the Delaware, and at Jeffersonville, on the Ohio. This latter is being drawn upon constantly, but it still contains over fourteen million dollars' worth of war material.

There are seventy-two national cemeteries and three hundred and thirteen local, post, or private cemeteries in which soldiers lie buried. The titles of seventy-one of the national cemeteries have been approved as perfect by the Attorney General. Three hundred and twenty-two thousand six hundred and seven interments are reported, of which 171,946 have been identified. The expenditure on this work has been nearly three millions of dollars.

During the year 5,855 animals were purchased and 3,492 were sold. These latter produced the sum of \$223,338 28.

#### SUBSISTENCE DEPARTMENT.

Subsistence supplies for the army have been mainly procured in the large market cities of the country. The average cost of the ration at these markets has been about twenty-three cents. Efforts to procure salt meats on the Pacific Coast for troops stationed there have met with great success, supplies of excellent quality having been obtained at favorable prices. Tobacco, at an average monthly value of \$19,000, has been furnished to troops at cost prices, and the Freedmen's Bureau has been supplied with stores to the value of nearly \$250,000, most of which has already been paid for, and the remainder is in process of refunding at the Treasury.

The issues to Indians at various points have amounted to more than \$150,000, and at the request of the Interior Department stores valued at \$37,500 were issued to destitute Osages and others to prevent starvation during the winter. Under an arrangement between the War Department and the Department of the Interior, the Indian Department is being furnished with food for the Indians on several reservations on the Missouri River and in the Indian Territory. The ration so furnished is prescribed or approved by the Interior Department, and its value is to be repaid from appropriations made by section 4 of the act of April 10, 1869.

There has been paid \$27,621 75 as commutation of rations to Union soldiers while prisoners of war. Claims for supplies furnished the army during the war, amounting to \$2,899,806 15 have been received, of which \$288,033 87 have been allowed, and \$2,581,064 13 have been rejected.

During the fiscal year 11,907 accounts and returns have been received

from various officers, of which 11,787 have been examined and referred to the Third Auditor for final settlement.

The Subsistence Department has lost an honorable and excellent officer by the death, by assassination, of Brevet Lieutenant Colonel J. G. Crane, commissary of subsistence, at Jackson, Mississippi, June 8, 1869.

A change in the army ration by extending the variety of articles, increasing some and diminishing others, and also in the manner of disposing of the savings in soldiers' messes and bakeries, would be of advantage to the service.

I unite with the Commissary General in recommending that the proviso to section 2, act of March 2, 1827, be repealed. This will allow officers of the line, when acting as assistant commissaries of subsistence, to receive twenty dollars per month in addition to their pay, in place of the sum of twenty dollars less one ration per day, now allowed.

#### MEDICAL DEPARTMENT.

The current expenditures of the Medical Department during the fiscal year ending June 30, 1869, were \$233,561 21; the total expenditure of that department, including "war debts" and "refundments," was \$708,305 36, and the available balance on hand at the close of the year was \$1,792,050 73.

The health of the troops has been good. Yellow fever has appeared at Key West only, and at this point there were forty-three cases and twenty-one deaths; but by the prompt removal of the troops to a new station the ravages of the disease were at once stopped. The total number of cases on the sick-list during the year was 104,235. The average number constantly on sick report was 2,367, or about 5.5 per cent. The number of deaths was 548, of discharges for disability 1,128.

The first volume of the Medical and Surgical History of the War is being printed.

The number of commissioned medical officers for duty on June 30, 1869, was 161, being an average of one medical officer to 204 men. The number of posts was 239, besides detachments and outposts. There are now two vacancies of surgeons and forty-two of assistant surgeons in the medical corps.

The experience of the past three years has shown that the present organization of the medical staff is satisfactory; but that, even were all the vacancies in it filled, it would still be barely adequate to the demands made upon it.

#### PAY DEPARTMENT.

The Paymaster General presents the following summary exhibit:  
Balance in hands of paymasters at the beginning of the

fiscal year July 1, 1868 .....	\$5,981,578 14
Received from the Treasury during the fiscal year .....	36,245,000 00

Received by paymasters from other sources, exclusive of sums transferred among themselves.....	\$238, 192 06
Total to be accounted for .....	42, 464, 770 20
Accounted for as follows:	
Disbursements to the regular army .....	\$18, 678, 250 61
Disbursements to the Military Academy .....	185, 258 78
Disbursements to volunteers, (back pay and bounties)..	19, 918, 635 43
Total disbursements.....	38, 782, 144 82
Amount refunded to Treasury.....	48, 948 37
Balance in hands of paymasters June 30, 1869.....	3, 633, 677 01
Total .....	42, 464, 770 20

At the date of the last annual report there still remained in service eighteen additional (volunteer) paymasters, retained for the payment of bounties to discharged volunteer soldiers.

Congress, by an act approved March 3, 1869, authorized and directed the transfer, from this office to the Second Auditor of the Treasury, of all additional bounty claims pending and unsettled on the first day of May following. After that transfer was accomplished, it became practicable to dispense with the services of additional paymasters, and they were accordingly honorably discharged. There remain now in service only the sixty regular paymasters authorized by the act for the reorganization of the army, passed July 28, 1866. This force cannot with safety be subjected to much reduction while the number of military stations shall remain as at present.

The Paymaster General states that he is confirmed in the opinion that no system can be devised, which, equal to the present one, can be made to combine the advantages of prompt payment to the troops, the safety of the public money, an accurate and immediate accountability, with the slightest possible liability to embezzlement or defalcation, and with the least cost to the government.

The disbursements for reconstruction purposes are \$2,613,293 46, and the balance in hands of paymasters October 2, 1869, are \$110,643 79.

In accordance with the requirements of law, all claims for the additional bounties granted by the act of July 28, remaining in the Paymaster General's office unsettled on the 1st of May last, were transferred to the Second Auditor of the Treasury for settlement. Of the total number—441,959—received, there were examined and settled by the Pay Department 440,608, leaving for transfer to the Auditor but 1,351 cases, of which the major part had been examined and determined, but not yet paid, for want of receipted vouchers from the claimants.

The total amount disbursed by the Pay Department for additional bounties, including those settled by the Second Auditor and paid by the department on Treasury certificates, from the beginning to the 30th June last, is \$57,220,150.

## ENGINEER DEPARTMENT.

The report of the Chief of Engineers gives a detailed account of the operations of the Engineer Department, and of the means required to execute the duties devolved upon it. The officers of the Corps of Engineers, aided by details from other arms of the service and a number of civil engineers, have been engaged upon the permanent national defenses, survey of the lakes, river and harbor improvements, explorations and surveys, command and instruction of engineer troops, and in charge of public buildings, grounds, and works in the District of Columbia. Twenty-two officers of the corps have been doing duty in the several military divisions, departments, and districts, in the light-house establishment, and as instructors at the Military Academy.

Work has been continued on the permanent defenses to the extent permitted by the small balances remaining of old appropriations. These have been exhausted for the most part during the year, and the works have consequently been closed up.

Experiments and trials have been made with iron and other materials with a view to their application in the defenses, and trial has been made of a descending gun carriage for use in barbette batteries.

Methods of modifying and improving our existing defenses have been determined on, the introduction of important auxiliary elements of defense is proposed, and Congress will be called upon to make appropriations, moderate in amount compared to the importance of the object, for the purpose of applying these changes, as soon as practicable, to the defensive works of several of our large seaport cities.

The battalion of engineers maintains its efficiency in drill and discipline, and in the duties of its special arm. The engineer depots, for the collection and storage of pontoon trains and other engineer equipments, have been well advanced toward completion.

The river and harbor works have progressed as rapidly as the means appropriated for their execution allowed. The appropriation in April last of \$2,000,000 for these works was distributed in accordance with the law so as best to subserve the interests of commerce.

The information respecting these improvements, which the Secretary of War is required by the several acts upon the subject to submit to Congress, will be found in the accompanying report of the Chief of Engineers.

The survey of northern and northwestern lakes has progressed commensurately with the amounts appropriated for conducting it. The Lake Superior survey is drawing to completion. It has developed many new harbors of refuge, and made known dangers to navigation highly important to the commercial interests of the States dependent upon this water-line of communication for the transportation of cereals and ores.

Reconnoissances and geographical and geological explorations and surveys have been continued during the year in the territory west of

the Mississippi River, and the information thus obtained is supplied to the troops occupying that section of the country.

The survey of the Colorado of the West has not, for special reasons, been resumed. Collateral surveys now in progress may furnish evidence of the necessity of the survey of the upper portions of the river, and of the improvement of the lower portion as a line of military supply and of travel and transportation from the mines of Southern Nevada.

The geological survey just completed from the Sierra Nevada to the Rocky Mountains is fruitful in valuable results, especially in relation to the mining regions and to the extent of the coal formation. It also furnishes other scientific data of great interest.

#### ORDNANCE DEPARTMENT.

The fiscal affairs of the Ordnance Department during the year ending June 30, 1869, were as follows:

Amount available from all sources .....	\$18, 283, 812 57
Expenditures since June 30, 1868.....	2, 787, 324 97
Turned into surplus fund .....	1, 000, 000 00
In Treasury, not credited to appropriations.....	701, 751 91
In depositories, to credit of disbursing officers, June 30, 1869 .....	425, 529 25
In Treasury on June 30, 1869.....	13, 369, 206 44

The expenditures of the department during the year included over \$500,000 for war claims, and about \$32,000 for cartridges made for the Navy Department and not yet paid for.

Liberty Arsenal, Missouri, has been sold during the year under authority of the act of July 25, 1868, and realized the sum of \$8,012 50. The St. Louis Arsenal will be sold under the same act as soon as it can be spared, but certain buildings thereat should be reserved from sale and devoted to general army purposes. The sale of the Harper's Ferry Armory property will take place on November 30, 1869. Rome Arsenal, New York, Champlain Arsenal, Vermont, Mount Vernon Arsenal, Alabama, Appalachicola Arsenal, Florida, and North Carolina Arsenal, North Carolina, are recommended to be sold. It is advisable that this should be done, and that the captured lands in Shreveport, Louisiana, and Marshall and Jefferson, Texas, and in Marion and Davis Counties, Texas, should be similarly disposed of.

A principal arsenal of construction and deposit and a powder depot are recommended to be established on the Atlantic and Pacific coasts, and in the valley of the Mississippi. The sale of some of the present eastern arsenals is suggested as a means to raise funds wherewith to establish the principal arsenal for the Atlantic coast. Rock Island is the point for the principal arsenal for the valley of the Mississippi.

Powder depots should be established on the Atlantic and Pacific

coasts, to be paid for out of the unexpended balance of the appropriations for the purchase of gunpowder and lead. Jefferson Barracks reservation answers for the depot for the Mississippi Valley. Some more buildings are required at this latter place and are recommended to be paid for out of the proceeds of the sale of the St. Louis Arsenal.

The enlisted force of the department has been reduced from fifteen hundred to seven hundred and fifty. There are sixty-one officers and fourteen ordnance storekeepers in the department, and of these officers, six are on detached duty.

The operations at Springfield Armory have been confined to the preparation of machinery and tools for converting the Springfield rifled muskets into breech-loaders upon the plan recommended by the ordnance board of 1868; to the conversion of a small number under the orders of the Secretary of War for fifty thousand; and to cleaning Enfield muskets for sale.

The cavalry have been supplied with Spencer carbines, and with Sharp's carbines, altered to use the musket metallic ammunition. The infantry, heavy artillery, and engineers have been armed with the Springfield breech-loading rifled musket. All these arms have given great satisfaction.

#### SIGNAL SERVICE.

Instruction has continued in the several military departments during the year, the purpose being to so diffuse a knowledge of the service and distribute apparatus that every officer may have such information of the duty as may suffice, in case of emergency, to save life in or prevent disaster to his command. The signal service has been brought into active use in operations against Indians on the plains.

The courses at the military and naval academies have been pursued as in the preceding year. The drill embracing that of the field electric telegraph and flag stations in the field, at West Point, before the board of visitors, received their commendation, and all the duties of sending messages by signals or by telegraph were performed by the cadets.

Fort Whipple has been maintained as a post of practice, instruction, and experiment in the duties of the signal service. The force maintained constitutes a nucleus of organization for any emergency.

The organization and development of the field telegraph has received especial attention and continued tests have been made with portable lines, such as are used with trains in the field. The field telegraph trains are organized in a military form, which requires all movements to be executed at the word of command. An object has been to provide a train so equipped and organized as to enable four portable lines carried in it to be erected simultaneously, at about the rate of three miles an hour.

#### FREEDMEN'S BUREAU.

The operations of this bureau have been closed, except the educational and bounty divisions, and two hospitals for freedmen. The num-



ber of officers, agents, and clerks has been reduced from nine hundred and one to one hundred and fifty-eight. No further reduction is practicable so long as the present operations shall continue.

The bureau has had under its care, up to June 30, 1869, 584,178 persons. All the hospitals but two have now been closed or transferred to the civil authorities, and one of the remaining two is about being closed. There will then remain but one, which is located in the District of Columbia, and cannot be dispensed with at present.

The general average during the whole period of the existence of the bureau shows that about one in two hundred, or one-half of one per cent. of the freed people have been supported by the government.

The freedmen were advised to make written contracts with their employers, and have the same explained and approved by a bureau officer. In a single State more than fifty thousand such contracts were made. The labor of the freedmen has produced nearly all the food consumed in the South, besides large amounts of rice, sugar, and tobacco for exportation, and about two million bales of cotton per year, on which were paid into the United States Treasury, during the years 1866 and 1867, taxes amounting to more than forty millions of dollars.

Much disappointment and ill-feeling was caused by the failure of the original plan to lease or sell the abandoned lands in small tracts to refugees and freedmen. Information has been published respecting lands under the homestead act of June 21, 1866, and some aid given to those who desired to enter them. Attention is beginning to turn in that direction, and about four thousand families have already made entries and obtained homes of their own. In a few instances freedmen have united in the purchase of farms under cultivation. They are very anxious to become land owners, and the possession of lands and homes is one of the chief means of their elevation.

But the most urgent want is education, and more attention has been paid to this than to any other subject. In each State at least one normal school has been organized. Several chartered colleges for freed people are in operation; also a university, in the District of Columbia.

In the 2,118 schools under the care of the bureau, and officially reported, the number of teachers employed is 2,455, and the number of pupils is 114,522. Adding those estimated in private and Sabbath schools, the number under instruction of some kind during the last year is not less than 250,000. The freed people are doing what they can for their own education, having, during the last year, paid for tuition and the construction of buildings about \$200,000.

The whole amount of bounties paid since April 17, 1867, when the first Treasury certificate was received, is \$5,831,417 89. The balance on deposit now due to claimants is \$1,220,066 52. Three thousand three hundred and eleven applications for bounty are now under examination in this office, and 18,000 such claims are now on file in the Second Auditor's office awaiting settlement, and it is believed that about 25,000 claims

of this kind remain to be presented. The work of paying bounties is therefore not yet complete, and it is believed that the system now in operation should be continued.

The freedmen have been protected as far as possible from injustice. The means adopted have been conformed to the wants of different communities.

The expenses of the bureau were met the first year with the proceeds of rents, sales of crops, school taxes and tuition, and sale of "Confederate States" property. The amount received from all these miscellaneous sources was \$1,865,645 80, and from appropriations by Congress since July, 1866, \$11,084,750, making a total of \$12,950,395 80 received from all sources. The expenditures, including the accounts of the "Department of negro affairs," from June 1, 1865, to August 31, 1869, have been \$11,194,028 10.

In addition to this, subsistence, medical supplies, and quartermaster supplies, were expended, amounting in cash to \$2,330,788 72, but whose real value when transferred to the bureau was probably less than one million of dollars. Adding their original cost to the cash expended, the total expenses of the bureau have been \$13,524,816 82.

Attention is called to the recommendation of the report that the hospital in this District be continued, and that the payment of bounties be continued, by this or some other agency, until all should have a reasonable time to present their claims.

#### MILITARY ACADEMY.

The report of the Board of Visitors to the Military Academy for the present year is one of unusual importance and interest. The condition of affairs generally was found to be all that could be desired or expected under the present organization of the Academy, but the organization itself, which has remained unchanged since the days when the army was but 10,000 strong and the nation was very far below its present size and importance among other nations, is declared to be inadequate to meet the future demands of the country, and a reorganization is accordingly recommended: The institution to be greatly enlarged; the number of cadets greatly increased; the standard of admission to be raised, and the cadets to be divided into two classes—one pursuing an ordinary course of military instruction and its members returned to civil life upon graduation, to spread a knowledge of the military art throughout the land, and supply trained officers for the emergencies of war; the other, selected from the promising members of the former class, and equal in number only to the yearly wants of the army, to pursue their studies and practice to the very limits of military science.

These recommendations are reviewed by the Inspector of the Military Academy, who does not advise any present enlargement of the Academy itself, but recommends an increase of the cadets to four hundred, a number which the Academy can accommodate without enlargement, and which

the army will probably be able to absorb as fast as they graduate; it being but two-fifths larger than the now authorized number, while the army has more than doubled in the mean time. Upon the question of raising the standard of admission, he remarks that every addition to the list of preparatory qualifications necessarily restricts the circle from which cadets can be drawn, and that the present list embraces all the attainments that can be obtained by a very large majority of the youth of the country. Since the standard was raised by law, in 1866, the rejections for want of the necessary educational acquirements have increased from fifteen per cent. to twenty-seven per cent. As a substitute for the other recommendations of the board, the inspector proposes schools of application for the several arms, such as exist in Europe and have always been favored by military officers here, and the nuclei for two of which is to be found in the artillery school at Fort Monroe, and one of the three engineer depots already established. He gives various reasons for his proposition, principal among them the ready and economical application of facilities already at hand, and the depressing influence upon the cadets of a long residence amid unchanging scenes and unvarying modes of life, study, and discipline.

The estimates for the support of the Academy during the coming fiscal year amount to \$332,264 20, of which \$212,019 20 is for pay and allowances of instructors and cadets.

#### MILITARY DIVISION OF THE MISSOURI

This division, commanded by Lieutenant General Sheridan, embraces the departments of Dakota, the Platte, and the Missouri, commanded, respectively, by Major General W. S. Hancock, Brevet Major General Augur, and Brevet Major General Schofield.

These three departments cover a territory of great extent, in which most of the civilized, semi-civilized, and wild Indians abide, and include the States of Illinois, Iowa, Missouri, Kansas, Nebraska, and Minnesota, and the Territories of Colorado, New Mexico, Wyoming, Utah, Dakota, Montana, and the Indian. The administration of these departments has been ably and economically conducted, but the number of troops now on duty in them is deemed insufficient, with the present reduced strength of companies, to meet the wants of the service.

Although there have been numerous depredations in this division, the condition of Indian affairs is very much better than last year. The policy of reservations adopted by the Indian Department is, in the judgment of General Sheridan, the only policy that will put an end to Indian murders and depredations. Every effort is made to avoid the necessity of punishing the savages, with the strong hope that they may settle down on their reservations and adopt a more peaceful and civilized life.

The system of supplying the wild bands under the present Indian management is working well; the Indian receives all that the govern-

ment intends he should, and can have no plea of bad faith to urge as an excuse for a return to his former habits.

The troops at the different posts throughout this division are quartered comfortably. The expenses of the coming year will be much less than for the past.

A detailed report of the military operations in the department of the Missouri accompanies the annual report of General Sheridan, and covers the operations of troops up to the 15th of October, embracing many combats, in which the number of Indians killed was ninety-two, number wounded unknown; number of soldiers killed six, and wounded ten; number of civilians—men, women, and children—murdered by the Indians, was seventy-nine, and nine wounded.

#### MILITARY DIVISION OF THE SOUTH.

This division, under the command of Major General Halleck since the 17th June last, is composed of the departments of the Cumberland, of Louisiana, of Mississippi, and of the South, commanded respectively by Brevet Major General Cooke, Brevet Major General Mower, Brevet Major General Ames, and Brevet Major General Terry, and includes the States of Kentucky, Tennessee, West Virginia, Arkansas, Louisiana, Mississippi, Alabama, Florida, Georgia, and North and South Carolina.

The principal occupation of the troops in this division has been in assisting revenue officers to execute the revenue laws; assisting United States marshals in executing the process of the United States courts; in enforcing the laws relative to the civil rights of freedmen, and all laws for the protection of life and property.

The elections in Kentucky and Tennessee passed off without any unusual disturbances.

The discipline of the troops in this division is as good as could be expected with the changes incident to the reorganization and consolidation of regiments. Supplies, except clothing, have been satisfactory, and at reasonable prices. The general administration of the division has been conducted with the strictest economy.

#### MILITARY DIVISION OF THE ATLANTIC.

This division formerly consisted of the departments of the East, the Lakes, and of Washington, under command of Major General Hancock. Subsequently Major General Meade was placed in command, the department of Washington broken up and attached to the department of the East, and the first military district incorporated in the division, which now embraces the States of Ohio, Michigan, Indiana, and Wisconsin, the New England States, New York, New Jersey, Pennsylvania, Maryland, Delaware, Virginia, and the District of Columbia.

In the department of the East and the Lakes the duties have been, principally, the charge and care of the sea-coast and lake frontier defenses, and the prevention of any attempt to violate the neutrality

laws, and in one instance in sustaining the United States civil authorities in matters pending before the courts.

In the first military district the troops, under the direction of the department commander, have been engaged in preserving public order and in executing the reconstruction laws of Congress.

The discipline and condition of the troops are reported by the division commander to be good.

#### MILITARY DIVISION OF THE PACIFIC.

This division, which has been commanded by Major General Thomas since the 1st June last, comprises the departments of California, Columbia, and of Alaska, commanded respectively by Brevet Major General Ord, Brevet Major General Crook, and Brevet Major General Davis.

The report of General Thomas gives detail of military operations against hostile Indians in Arizona, and measures for the protection of the Chinese population from apprehended assaults in the State of Nevada.

A personal inspection of the greater part of the territory embraced in his division was made by General Thomas, and the fruits of his observations are embodied in his report, which is of a character so interesting and valuable as to make an abstract of it here undesirable. His recommendation, that the seal islands of Alaska, St. Paul, and St. George be sold, being based on substantial reasons, should, in my opinion, be carried out.

#### FIRST MILITARY DISTRICT.

This district comprises the State of Virginia, and was, at the date of the last annual report, commanded by General Stoneman, who was succeeded by Brevet Major General Canby.

On the first of October the number of troops in this district was one hundred and five officers and one thousand four hundred and seventy-eight enlisted men; the present effective strength of the command is ninety-nine officers and one thousand and seventy-seven enlisted men, of which thirty-one officers and four hundred and twenty-seven enlisted men are on duty at the artillery school; thirty-five officers and six hundred and forty enlisted men with the Seventeenth regiment of infantry, and thirty-three officers and ten enlisted men are on duty with military commissions and other reconstruction duty. If the companies of the Seventeenth infantry are filled to the maximum by recruiting, no increase in the force in this district will be necessary.

The total number of civil officers in the State affected by the joint resolution of February 19, 1869, was six thousand and sixty-one, and of this number only eight hundred and eighty-five were found in office who could qualify under the law of July 2, 1862, leaving five thousand one hundred and seventy-six appointments to be made. To the 1st of October last, three thousand and seventy appointments have been made and of these seven hundred and eight have declined, resigned, been

moved, or have failed to qualify; leaving two thousand three hundred and sixty-two now in office, and two thousand eight hundred and fourteen vacancies.

The officers who served in the State prior to General Canby's assumption of the command, and who are more or less acquainted with the people, were nearly all transferred to other stations, and were replaced, to a limited extent, by others who were entire strangers, and it was not until about the 1st June that a sufficient number had reported to enable the re-establishment of the divisions as they had previously existed, and thus secure assistance in making selections of persons to be appointed, and in ascertaining whether they were willing to accept, and could qualify if appointed.

It was difficult to find suitable persons willing to accept offices the duties of which yielded no compensation and interfered with their ordinary business, and embarrassment was occasioned by the social and political pressure brought to bear upon native Virginians who were suggested or recommended for an office that involved the necessity of taking the oath prescribed by the law of July 2, 1862. However, with but few exceptions the county organization is so far completed as to be in working condition.

The registration of 1867 was one hundred and twenty-one thousand two hundred and seventy-one white, and one hundred and six thousand one hundred and five colored, a total of two hundred and twenty-seven thousand three hundred and seventy-six. The registration of 1869 was one hundred and forty-nine thousand seven hundred and eighty-one white, and one hundred and twenty thousand one hundred and three colored—total two hundred and sixty-nine thousand eight hundred and eighty-four, an increase of twenty-eight thousand five hundred and ten whites, and thirteen thousand nine hundred and ninety-eight colored voters—total increase forty-two thousand five hundred and eight.

The election in this district passed off very quietly, and probably with fewer incidents of disorder than is usual on public days. The general result is as follows:

Total number registered.....	269,884
Whole number voting.....	222,349
Number registered but not voting.....	47,535
	<u>269,884</u>

The amount of funds appropriated for reconstruction purposes and remaining in the hands of the paymaster, October 1,

1868, was.....	\$13,343 26
Received during the year ending September 30, 1869.....	166,714 31
	<u>180,057 57</u>
Expended during the year ending September 30, 1869.....	146,902 86
	<u>33,154 71</u>

The amount required in addition to the balance on hand, October 1, 1869, for payment of outstanding debts and current expenses is \$65,000.

#### FOURTH MILITARY DISTRICT.

This district has been commanded by Brevet Major General Ames since March 17, 1869, and comprises the State of Mississippi. The Sixteenth Infantry regiment is the only military organization on duty there.

The employment of troops beyond the ordinary routine of duty has been confined to expeditions for the purpose of arresting lawless characters guilty of murder or other serious offenses. Supported by public opinion, a few men, in defiance of the law, commit murders and outrages, and civil officers are unequal to the task of bringing them to justice. Guarded and protected by their neighbors their arrest becomes very difficult, and the assistance of troops is demanded. The parties injured or their friends rarely undertake to aid the civil or military authorities, and if so, hesitatingly and secretly.

The cases are not numerous where violence has been offered the regularly constituted authorities, and in those instances the acts were committed generally by individuals who, nevertheless, were secreted and shielded by the people.

One of the most deliberate and cold-blooded cases of the kind was the murder in the streets of Jackson, of Brevet Lieutenant Colonel J. G. Crane, chief commissary of the district.

The report states that at the present time, on the eve of an election, the disturbances are increasing in number, and, if possible, more serious in character.

On the 27th April last, General Ames, by General Order, authorized all persons, without respect to race, color, or previous condition of servitude, who possessed the qualifications prescribed by the laws then in force in that State, to act as jurors. This action he believes will finally result in forbearance on the part of the whites toward the colored population and prove a security to them and their property.

#### FIFTH MILITARY DISTRICT.

This district, on the 28th July, 1868, was reduced to include only the State of Texas, and is commanded by Brevet Major General Reynolds, whose report is for the year ending September 30, 1869.

The length of frontier line in this district to be protected against Indian incursions extends from the Red River to the Rio Grande, about 490 miles, and along the Rio Grande for about 816 miles—a total of 1,306 miles.

Indian raids during the year have been unusually bold, and, it is believed, commanded in most instances by white men. Heavy damages to the citizens in live stock and property has resulted, but the loss of life has been small, amounting to about twenty-six persons.

It will be impossible to prevent Indian raids as long as there are wild Indians not assigned to any defined territory, and protection to the frontier cannot be afforded with the force in the district, owing to the numerous demands made upon it in the execution of the reconstruction laws.

Voluntary county organizations of citizens have in some cases been authorized and proved effective in some localities, but in others the arrangement has not met with cordial response from the people.

It is recommended by General Reynolds that a line of telegraph be built connecting the posts between Red River and the Rio Grande at some convenient point, with Austin, San Antonio, or Waco. Such a line will afford prompt communication with frontier posts and will effect concert of action. The expenses will be trifling compared with the advantages that may reasonably be expected.

Depredations in the country between the Neuces and Rio Grande, which is sparsely peopled and devoted chiefly to the raising of cattle, have been numerous. The offenders, Indians and Mexicans, generally come from the south side of the Rio Grande, and the stolen cattle are conveyed there for sale. Orders have accordingly been issued directing that the crossing of cattle shall be limited to specified points, but a sufficient time has not elapsed in which to test the efficiency of this regulation. The evil threatens to become one of such magnitude as to demand a reference to the government of Mexico.

The ordinary civil machinery of the State has been in operation, aided, whenever necessary and practicable, by the military force of the United States. Improvement is apparent in the disposition of juries to punish for murder and other high crimes. Military aid has been furnished to civil authorities to suppress bands of desperadoes who infest the State.

Under the provisions of the joint resolution of February 18, 1869, many county offices were vacated. Efforts to fill the vacancies thus occasioned have, in many cases, been unsuccessful. Laxity in execution of laws and interference with the collection of State taxes have been caused by persons qualified being unwilling to accept office on account of the short duration of the term, and the fact that "appointees" are in most cases unpopular. The number of cases tried by military commission under section 3 of the act of March, 1867, from October 1, 1868, to September 30, 1869, is fifty-nine, of which twenty-one were convicted and thirty-eight acquitted.

The number of murders in the State from January 1, 1869, to September 30, 1869, was three hundred and eighty-four, and the number of crimes of this nature is steadily diminishing.

Quarantine regulations have been established, and an officer of the Medical Department detailed to supervise their observance. The State has been exempt from all epidemic disease.



## APPROPRIATIONS, EXPENDITURES, AND ESTIMATES.

There was carried to the surplus fund June 30, 1869,  
the sum of..... \$58,239,174 93

The actual expenditures for the fiscal year ending June  
30, 1869, were, (including the Freedmen's Bureau).. \$56,761,732 16  
To which must be added, for old war debts paid, the  
sum of..... 23,882,310 60

Making the total expenditures..... 80,644,042 76

Of the above there was expended for reconstruction  
purposes..... \$406,419 18

There was appropriated for the service of the War De-  
partment for the fiscal year ending June 30, 1870... 37,538,852 08

The estimated deficiencies are..... 2,940,000 00

The total estimate of military appropriations for the  
year ending June 30, 1871, is..... 34,531,031 30

In the foregoing estimate the amounts originally presented by the  
heads of bureaus have been materially reduced, and any appropriation  
smaller in amount than that asked for would fail to meet the necessary  
wants of the department.

The following estimates are submitted separately, and are given, for  
the consideration of Congress, as presented by the Chief of Engineers:

For fortifications..... \$4,196,400 00

For rivers and harbors..... 7,961,900 00

Total..... 12,158,300 00

As to the fortifications, I urge the appropriations asked for the forts  
near the larger cities named in the report of the General of the army, to  
wit: Portland, Boston, New York, Philadelphia, New Orleans, and  
San Francisco.

The amount required for public buildings and grounds  
and Washington aqueduct, as estimated by the officer  
in charge, is..... \$1,021,352 00

Which has been reduced, in the estimate presented  
herewith, to..... 498,970 00

Herewith, in addition to the reports, of which abstracts have been  
given, are transmitted those of the twelve department commanders:

Department of the Dakota: Major General Hancock.

Department of the Platte: Brevet Major General Angur.

Department of the Missouri: Brevet Major General Schofield.

Department of the Cumberland: Brevet Major General C

Department of Louisiana: Brevet Major General Mower.

Department of Mississippi: Brevet Major General Ames.

Department of the South: Brevet Major General Terry.

Department of the East: Brevet Major General McDowell.

Department of the Lakes: Brevet Major General Pope.

Department of California: Brevet Major General Ord.

Department of Columbia: Brevet Major General Crook.

Department of Alaska: Brevet Major General Davis.

These reports show that the military administration of the army has been effective and its discipline unimpaired. The duties devolving upon the commanders of the three military districts of Virginia, Mississippi, and Texas have been performed, under many embarrassments, with fidelity and good judgment.

The expenditure for the year, upon which the reduction of the estimates for the next fiscal year is based, is reliable evidence of the economical management of the department.

WM. W. BELKNAP,  
*Secretary of War.*

## P A P E R S

ACCOMPANYING

### THE REPORT OF THE GENERAL OF THE ARMY.

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HEADQUARTERS OF THE ARMY,  
*Washington, D. C., November 20, 1869.*

GENERAL: I have now the honor to submit my report of the army for the present year. At the time of the last annual report General U. S. Grant was in command of the army, and remained until the 4th of March, 1869, when he became President of the United States, and I succeeded him as General-in-chief. The confirmation of my commission was announced on the 5th day of March, and I was ordered to assume command March 8th, which I did.

At that time Major General J. M. Schofield was Secretary of War, and continued in that capacity until March 13th, when General John A. Rawlins was duly commissioned and entered on his duties as Secretary of War, a post he filled until his death, September 6th, when the President conferred on me the commission, with the understanding that it was to be held only till he could select a successor, and it afforded me great pleasure, on the 1st instant, to give place to yourself, General W. W. Belknap.

As these changes have, in a measure, affected the course of events, I believe that you will be pleased that I take a wider view of the history and condition of the army, and its administration, than is customary for the Commander-in-chief.

#### LINE OF THE ARMY.

For the purpose of military responsibility and government the domain of the United States is divided into twelve departments and three districts, each under the command of an experienced general officer, who by law is invested with all the powers of the commanding general of an army in the field, and is held responsible for the discipline and maintenance of the troops, the preservation of good order so far as the military authority extends, and for the care of all public property that belongs to the army. The limits and boundaries of these departments are better described by the map and tabular statements herewith than by any mere words I could give.

In order to prompt action in case of need, and to place similar territory and similar interests under a common commander, these departments are again grouped into four military divisions, which are commanded by the four generals next in rank to the Commander-in-chief.

By the organic law of July 23, 1866, as modified by that of March 3, 1869, the regular army now consists of five regiments of artillery, ten of cavalry, twenty-five of infantry, a battalion of engineers, and the cadets of the Military Academy. These are all assigned to the several departments by regiments or companies; but each division commander can

reinforce any point within his command by transferring the troops from one of his departments to another.

As a general rule the artillery companies are distributed in the permanent forts along our seaboard from Eastport, Maine, to the mouth of the Rio Grande, and from San Diego, California, to Alaska, serving on foot. One company of each regiment is mounted and equipped as light artillery; one of these companies is stationed at Washington, and the other four at Fort Riley, Kansas, as a school of instruction. Another company of each regiment (in all five) is stationed at Old Point Comfort, as a school of instruction for heavy or sea-coast artillery.

All the ten regiments of cavalry are serving in Texas, the Indian country, and Pacific Territories, with the exception of a single company here in Washington, which is the only cavalry east of the Mississippi River.

The twenty-five regiments of infantry are distributed: One regiment along the northern frontier, one in Virginia, one in Mississippi, and three in the department of the South. The remaining nineteen regiments are in Texas, the Indian country, and Western States and Territories.

Three companies of engineer troops are at Willett's Point, New York Harbor, one at Jefferson Barracks, Missouri, and one at Yerba Buena Island, San Francisco Harbor, doing garrison duty, and more especially designed to preserve the practical knowledge of field fortification, of mines, and of pontoon bridging.

The cadets are at the West Point Academy, undergoing instructions preparatory to being commissioned as officers of the army.

At this moment we have not a single regiment that may be said to be in reserve. All are on duty, and I have constant calls for more troops, which cannot be granted. I beg, therefore, your earnest attention to this matter, that Congress may be appealed to not to diminish the military establishment any further, because of the great extent of our country, the unsettled character of a region measured north and south, east and west, by thousands of miles, the nomadic character of the Indians who inhabit this region, and the growing necessity of affording greater protection to the roads that traverse this region, and the mining and agricultural interests therein.

While the nation at large is at peace, a state of *quasi* war has existed, and continues to exist, over one-half its extent, and the troops therein are exposed to labors, marches, fights, and dangers that amount to war. Were the troops withdrawn, or largely diminished, in Texas, the Indian country, in Arizona, New Mexico, Montana, Idaho, or Alaska, as well as in some parts of our southern States, I believe a condition of things would result amounting to anarchy.

For a history of the labors and exposures of our troops I must refer to the reports of the division and department commanders herewith, and I hope the officers and men composing the army will receive the assurance of the country, to which they are fairly entitled, that their services are appreciated. Many of the officers have been required to perform, at great personal risk, the duties of Indian agents, governors, sheriffs, judges and inspectors of elections, &c., &c., duties foreign to their military training, and they have done this duty without a murmur and with marked intelligence. The great mass of them are banished to distant sections, and kept there with indifferent shelter, without any of the facilities and associations of civilized life; and many of them have families that they scarcely have the means to educate and provide for. In my whole army experience I have never known the army officers so

poor, and yet I believe they will continue cheerfully to endure this state of facts if they can see in the future any hope of improvement. I do not understand they expect more pay, but they live in hopes that our money will soon approach the value of gold in its purchasing capacity, and I believe any diminution of pay would turn the thoughts of every good officer to a change of profession, that would be extremely damaging to the army itself.

The *code of laws* by which the army is governed is very antiquated and obscure, based on the old English mutiny act in existence at the time of our Revolution, and bears date April 10, 1806. Other laws respecting the government of the army have been passed from time to time, and volume on volume of Regulations has been issued from the War Department, the last edition of which bears date in 1863. These are the Army Regulations now in use, although they also have been modified by numerous subsequent orders and circulars, so that at this moment no officer can, from the most careful study, be certain of his rights and duties, and is liable at any time to suffer in his accounts, or incur personal liability for acts done in pardonable ignorance.

Section 37 of the act approved July 28, 1866, required the Secretary of War to have a new code of Army Regulations prepared and submitted to Congress at its next session, "the existing Regulations to remain in force until Congress shall have acted on such report." By special orders from the Adjutant General's office, December 18, 1867, a board, composed of Lieutenant General Sherman, Major General Sheridan, and Brevet Major General Augur, was assembled in Washington, and on the 28th of January, 1868, it submitted a new code of Articles of War, which met the approval of General Grant; and on the 1st day of February of the same year it was transmitted to Congress by the then Secretary of War, Mr. Stanton. The board also compiled a system of Regulations, full and complete, in harmony with the new Articles of War, and more in conformity with the customs and usages that had grown out of the experience of the past fifty years. This code of Army Regulations also received the sanction of General Grant, who, by Special Orders No. 41, February 18, 1868, dissolved the board, and ordered the officers back to their stations. From the records of the War Department I find that on the 12th of June, 1868, General Schofield, Secretary of War, transmitted to the Honorable Henry Wilson and Honorable J. A. Garfield, chairmen of the Committees on Military Affairs in the two houses of Congress, a letter reciting these facts, and asking the adoption of the new Articles of War, and the repeal of so much of the act of July 28, 1866, as made the Army Regulations then in force obligatory on all concerned until the new Regulations received the sanction of Congress. I concur with General Schofield in the general proposition; but, in the present state of the law, would think it advisable for Congress to enact the Rules and Articles of War as near as possible in the language submitted by the board; and then to approve the new Regulations, giving the President of the United States the authority to modify them, from time to time, according to his discretion.

#### CONSOLIDATION.

By the organic act of July 28, 1866, fixing the peace establishment, there was a provision for *forty-five* regiments of infantry. To the appropriation bill passed March 3, 1869, was attached a clause as follows: "That there shall be no new commissions, no promotions, and no enlistments in any infantry regiment until the total number of infan

ments is reduced to twenty-five, and the Secretary of War is hereby directed to consolidate the infantry regiments as rapidly as the requirements of the public service and the reduction of the number of officers will permit." By the same act the period for enlistments was changed from three to five years, but at that date all the enlisted men of infantry were in for three years, beginning mostly in 1866 and 1867. The Secretary of War, General Schofield, with whom by law the discretion rested, saw at once that, were he to wait for the number of officers to diminish to the standard of *twenty-five* regiments by the slow process of death and resignation, all the enlisted men would be discharged by the expiration of their terms of service, and we would be compelled to abandon many of the forts in the Indian country. He therefore very wisely resolved to make the consolidation at once, so that new enlistments could be made to replace the men discharged by expiration of their terms of enlistment. His orders prescribing the mode and manner of consolidation were made on the 10th of March, and have been carried into effect as fast as possible considering the scattered condition of the troops. The colonels and field officers were chosen here, and announced in General Orders from these headquarters. The captains and lieutenants were selected by the commanding general of the departments in which the new regiments were to serve. As a general rule, all other things being equal, the senior of each grade was retained, provided he was deemed qualified and was actually present for duty. The recruiting service was resumed on the 28th of April, and has supplied about a thousand recruits a month, barely enough to replace discharges in the more exposed garrisons of the Indian country.

The consolidation has thus been effected at as little cost as possible, and on principles as fair and just as the case admitted.

By this consolidation were rendered supernumerary (officers).....	622
Assigned to fill vacancies.....	71
Transferred to fill vacancies in cavalry.....	7
Transferred to fill vacancies in artillery.....	10
Resigned.....	11
Died.....	4
Dismissed.....	5
Cashiered.....	4
Retired.....	1
	<hr/>
Total.....	113
Balance of unattached officers November 1st.....	509
Accounted for as follows:	
On recruiting service.....	60
On Indian service.....	60
On reconstruction duty.....	95
As professors in civil colleges.....	7
On duty U. S. Military Academy.....	8
As aides-de-camp to general officers.....	26
On duty in War Department.....	12
On duty at headquarters of divisions, departments, and districts.....	26
On duty in Quartermaster and Subsistence Departments.....	20
As acting signal officers.....	10
Bureau of Freedmen, Refugees and Abandoned Lands.....	13
On engineer duty.....	2

On ordnance duty.....	1
Commanding military districts—reconstruction.....	2
Commanding posts.....	1
On duty with General Sickles.....	1
	—
Total.....	353
Balance “awaiting orders”.....	156
	==

Of this latter number there are reported physically disqualified, twenty, (20,) intemperate, seven, (7,) under suspension, three, (3,) in arrest, three, (3,) inefficient, two, (2,) at home at their own request, ninety-six, (96.) If disbandment must come—and I suppose it is inevitable—it is but fair that the blow should first fall on these last named. But the three hundred and fifty-three unattached officers are among our very best, who have in battle earned their commissions, and who are illy qualified to be thrown out of their chosen profession to begin life anew. Their claims are entitled to the generous consideration of the government, and I feel assured they will receive it, and to this end will endeavor to submit all the facts of the case, with such suggestions as seem appropriate and likely to facilitate their retention in the military service.

In the first place, in the reorganization of the army in 1866 the law provided for four regiments of veteran reserve troops, the officers of which were chosen because they had become disabled by wounds in the war of the rebellion. In the consolidation these regiments were put on a par with the others, and several of the officers, though wounded and disabled, are provided for in the new organization; still, the great majority have been left out, and in fact are disqualified, by the loss of limbs or other physical disability, for the exposure and activity of our infantry regiments. They would be entitled to be retired under existing laws, were it not for the fact that the number of officers to be retired is limited by the sixteenth section of the act approved May 3, 1861, to seven (7) per cent. of the officers of the whole army. This limit of seven per cent. of officers in service was fixed when the army was very large; and now that it is reduced, the number that can be retired by reason of age or infirmity, or by reason of wounds, is comparatively small. I earnestly recommend that this limit be removed, and that the President be allowed to retire any number for cause, viz: for wounds in battle, or age; or, if it be deemed prudent to fix a limit, that it be fixed at some specific number, say two hundred and fifty. The number now retired is one hundred and seventy-seven, (177.)

By the present organization of the army the artillery and cavalry have, to each regiment, one colonel, one lieutenant colonel, three majors, and twelve companies, whereas the infantry regiments have one colonel, one lieutenant colonel, one major, and ten companies. I am satisfied that all regiments should have the same organization, viz: one colonel, one lieutenant colonel, two majors, and twelve companies, for this organization admits of a subdivision into three battalions of four companies each, commanded by a lieutenant colonel or major. Moreover, the artillery companies have each two first lieutenants, whereas the cavalry and infantry have but one. All companies should have the same organization, viz: one captain, two first lieutenants, and one second lieutenant. If all the officers could be kept with their companies, one captain and two lieutenants would be sufficient; but the army organization never did provide for detachments and details, which

inevitable from the nature of our service—such as for recruiting service, for the Indian service, for duty at West Point and civil colleges, for details as aides to general officers, &c., &c. It is for this reason, especially, that I ask for an extra lieutenant to the companies of cavalry and infantry, the same as already exist in the artillery. The extra lieutenants now allowed by law as regimental adjutants, quartermasters, and commissaries could then be omitted and detailed from the list of first lieutenants.

I herewith submit a table showing the organization as proposed; and assuming the number of regiments to remain unchanged, (viz: forty,) and allowing a maximum of seventy-five privates to each company, it would give us for the line of the army two thousand one hundred and thirty-five (2,135) commissioned officers, and forty-two thousand four hundred and ninety (42,490) men. It is well known that no army can be kept up to its legal standard, and that two-thirds is as large a proportion as can be relied on for actual service. Applying this ratio, we will have for actual service about twenty-nine thousand seven hundred and fifty (29,750) officers and men—a number that no one acquainted with the subject can declare to be above the necessities of the country.

It also seems unjust to permit the whole blow of reduction to fall upon the infantry arm of service alone. The cavalry and artillery should share in the consequences, and I therefore recommend, after Congress has enacted the necessary laws, that the President assemble a board of disinterested general officers, to whom shall be committed the whole matter of reduction and reorganization, with authority to transfer unattached infantry officers to vacancies that exist or may be created in the regiments of cavalry, artillery, and infantry alike, after which to recommend for actual disbandment the officers found in excess of the new organization. In spite of whatever may be done, there will be cases of hardship and seeming injustice, but it is all-important that the rule that cuts off all promotion should be removed as soon as possible, for no army can be efficient without holding out to the junior officers the hope of promotion.

#### STAFF OF THE ARMY.

This term applies to those officers and men who administer to the wants of every military establishment, and are in our service classified as Adjutants General, Inspectors General, Bureau of Military Justice, Quartermasters, Commissaries, Surgeons, Paymaster's and Ordnance Departments, Corps of Engineers, Chief Signal Officer, and Post Chaplains. The names imply their respective duties, and the organic law of 1866 limits and prescribes their number. The heads of these departments reside in Washington, and submit annually a written report of their operations for the past year. It so happened that I was Secretary of War during the month of October, when by law these reports were made in order to reach the Public Printer by the 1st of November, and I required all the annual reports to be addressed, like all other military reports, to the Adjutant General for the perusal of the General of the Army, who could make use of such information as they contained and then lay them before the Secretary of War. This is, in my judgment, the course that should always be pursued—though a different one has heretofore prevailed—for otherwise we would have the absurdity of a General commanding the army with his chief staff officers reporting to somebody else. The General can have no objection to any amount of labor being imposed upon these departments by Congress, by the Presi-



dent, or Secretary of War, but all orders and instructions touching army movements by law must pass through the General of the Army, that he may know what is transpiring. (See section 2, act of Congress approved March 2, 1867.) This matter has already attracted the attention of Congress, for I find a printed report on army organization was made on the 26th of February, 1869, by Mr. Garfield, from the Committee on Military Affairs, to the House of Representatives. This report, with the testimony of the several officers therewith, contains much matter that is worthy of the most serious consideration. I need only refer to some of its conclusions: "The staff departments or corps are, in the opinion of the committee, too large in proportion to the line of the army. There has been for a long time a tendency toward the multiplication of departments, increase of rank, and independence of control in the staff that ought to be checked."

"The staff departments, by custom rather than by legislation, have become almost absolutely independent of generals commanding military departments and districts, and even of the General-in-Chief of the army."

"In the opinion of the committee, all officers of the staff departments should be as directly under the control and supervision of the General and the department commanders as officers of the line now are. This reform can be effected better by administration than by legislation, for this independence of the staff departments finds no warrant in law, except in regard to engineer officers, who are, by a clause in one of the Articles of War, made subject only to the orders of their superiors in their own corps, and to the President."

I heartily concur in these views, and, so far as my authority goes, will carry them out. It would be absurd to hold General Schofield, or General Augur, or General Hancock, responsible for affairs in their most important departments, if they have not the absolute command of their troops and of the staff officers who minister to their necessities. If Congress will only enact the new Articles of War, all hurtful distinctions heretofore existing will at once cease, and all parts of the army will be put on the same honorable footing.

The marked distinction made in favor of the officers of engineers by the sixty-third (63) Article of War has been the cause of a great deal of mischief; but when taken in connection with the ninety-sixth (96) article, I am satisfied that within "the line of their immediate profession" they are as much subject to orders as the officers of the Quartermaster's Department. To place them on duty *outside* the sphere of their professional duties is, in my opinion, all that was ever intended by the sixty-third article as requiring the orders of the President; yet the conclusion arrived at by the committee is the interpretation which engineers officers themselves have usually placed on the law, and for this reason, in the new Articles of War the one in question is omitted altogether. For my part, I have no wish to command the engineer corps, or any other corps; but if it forms a part of the regular army of the United States, it is all-important that the generals who command the military departments, and are charged with the general supervision of all army matters within their limits, should be able to avail themselves of this most important branch of the army, receive from them the usual reports of the state of the national defenses, &c., without asking it as a special favor or applying to the President for his permission in each case.

Some of the other "reforms" suggested in this congressional report have already been made.

The President has, by an executive order, reduced the civilian employés of the Quartermaster's Department from fourteen thousand six hundred and seventy-two (14,672) men, to four thousand, (4,000,) and these are not subject to the personal command of the Quartermaster General, but are, in fact, teamsters and laborers, hired in the distant Territories under the supervision of the local quartermasters, and under the control of the military department commanders.

In like manner, the number of ordnance enlisted workmen has been reduced from one thousand one hundred and one (1,101) to seven hundred and forty-five, (745,) and to department commanders has been given the supervision of the recruiting depots in all essential matters except the final assignment of recruits to regiments, which is controlled here by the General-in-Chief, who can best judge where the recruits are most needed.

As to the consolidation of the staff corps and departments, discussed in this report, I feel disposed to concur with General Thomas in his opinion as given in evidence on page 13 of this "Report on Army Organization," that it would hardly be wise to make this change to the extent which the committee seems to favor. The Chief Signal Officer might be attached to the engineer corps, or to one of the staff departments, and the forty (40) post chaplains now in service might be assigned one to each of the forty regiments which now compose the army. I would deem it advisable to allow the other corps and departments to remain unchanged, except with such limits as to the number and rank of officers as Congress may adjudge proper. In numbers and rank they do seem disproportioned to the line of the army, but this has been the case for a number of years, and the experience of the war of the rebellion demonstrated its wisdom. A staff system that has admitted of an increase of the line of the army from the mere nucleus of 1860 to a million of men, and the reduction back to the present standard, without confusion, and with the most perfect accountability as to property and money—at all times providing for the army abundantly—is entitled to our respect.

I have heretofore laid before you the annual reports of the heads of all the staff corps and departments, but have noted certain matters in them especially affecting the army itself, that I now beg leave to refer to.

The *Quartermaster General* shows that the disbursements of his department have fallen fourteen and one-half millions of dollars below those of the previous year. This department is more affected by the scattered condition of the troops, and the peculiar sterile character of the country in which they are kept, than any other. If the army could be concentrated and quartered in the region of supplies, the expenses could be kept down to a comparatively small sum; or if we had, as in former years, a single line of frontier a little in advance of the settlements, the same or similar would be the result; but now, from the nature of the case, our troops are scattered by companies to posts in the most inhospitable parts of the continent, to which every article of food, forage, clothing, ammunition, &c., must be hauled in wagons hundreds of miles at great cost. For the same reason this department is heavily taxed by the cost of fuel and materials for making huts, sometimes at a distance of one or two hundred miles from a place where a growing twig as large as a walking stick can be found.

While the pay and allowances of a soldier remain the same in all parts of the country, the cost of his maintenance in Texas, New Mexico, Arizona, Nevada, Idaho, Montana, and Alaska, is two and three times

as great as on the Kansas and Nebraska frontier. If, therefore, the estimates must be made to approximate those of the ante-war period, we may be forced to withdraw our troops from all or a large part of the Territories named. I have personal knowledge that the huts in which our troops are forced to live are in some places inferior to what horses usually have in this city. Nearly all of these posts are temporary in their nature and character; but as time progresses and roads become established, we can choose the real strategic points, and at these we should have good quarters for troops, and I hope the Secretary will ask a liberal appropriation, subject to his control, for the erection of the necessary barracks.

In reference to the report of the *Commissary General, General Eaton*, it is proper that I should say that the army has been well supplied with good healthy food, and at all the posts are kept supplies of articles not embraced in the ration, for sale to the companies and the officers' families at a price sufficient to reimburse the department. This obviates the necessity for sutlers, which are now prohibited by law, except as mere traders, having no lien whatever on the soldier's pay. The officers of the Subsistence Department are at depots, and the actual issues to the troops are made by line officers, styled acting commissaries of subsistence, who receive an extra compensation of twenty dollars a month, less the value of a ration. (See section 2, act of Congress approved March 2, 1827.) From personal experience I doubt if it be practicable to commission these officers specially as such, or to appoint permanent commissary sergeants, because of the constant changes of stations of our small army; but I think they should have a fair compensation for the extra labor and risk imposed on them by these duties. I recommend the repeal of the *proviso* of the second section hereinbefore referred to, and that the officers acting as quartermasters and commissaries of posts receive ten dollars a month where there are two companies or less, and twenty dollars a month where the garrison is more than two companies.

The *Engineer Department* has charge of the construction of the permanent forts, the improvement of rivers, harbors, and various other duties imposed by special laws. So much as refers to the forts concerns the army that must live in them and fight them, and therefore falls within my official province. All else, not directly affecting the army, is none of my business.

General Humphreys gives in great detail the condition of the various forts with whose construction, alteration, and repair his department has been engaged. Nearly all the sea-coast forts were planned at a time when the eight-inch gun was the heaviest afloat, and before rifled guns came into use. Now, however, that ordnance of the fifteen and twenty-inch calibers, throwing a shot over one thousand pounds in weight with a velocity of fifteen hundred feet per second, have come into general use, the problem of resistance is entirely changed. It is believed that case-mate forts, no matter how reinforced with iron, are not able to resist these shot, and changes must be made to meet this change of facts. The engineer officers have carefully studied this subject and have made many most valuable experiments; and, in connection with the officers of ordnance and artillery, they should continue these experiments. The board of engineers in New York has laid down five general propositions for application to all modifications of the sea-coast forts, which I heartily approve, viz:

*First.* The use of barrette batteries of earth, with deep parapet, and a liberal number of bomb-proof and magazine traverses.

*Second.* The use of the heaviest guns practicable, with carriages admitting of the gun being depressed below the parapet for loading.

*Third.* An abundant supply of heavy mortars.

*Fourth.* The use of torpedoes.

*Fifth.* Entanglements to hold a fleet long enough for destruction.

Taking the new "Fort Winthrop" in Boston harbor as a sample, I am satisfied that these propositions fulfill all the conditions of the problem. No foreign army will be likely to attempt a landing on our coast, and all that a hostile fleet can attempt will be to run by the forts and lay the cities under contribution. On firm land we can handle guns of heavier caliber and with more accuracy of aim than any enemy can his afloat; and in my judgment no armored ship as yet built can long exist within the range of our twenty-inch guns, or even of the fifteen-inch guns, if skillfully handled. I therefore recommend that the forts covering the cities of Portland, Boston, New York, Philadelphia, Baltimore, New Orleans, and San Francisco, should be pushed to completion as soon as practicable. All other points might be neglected for the present.

Heretofore, in the construction of our sea-coast forts the quarters for men and officers have mostly been arranged in casemates, and in many instances these have been finished at a cost exceeding what would have built elsewhere good healthy houses. Casemates never have been and never will be a fit abode for men, and with every care they can hardly be made dry enough for the storage of powder and provisions. In time of war soldiers can and will endure anything; but in time of peace they should not be doomed to the damp, cold, prison-like casemate. The quarters for the garrison of a fort are as much a part of the fort as the embrasures for the guns, and should be built by the Engineer Department, permanent when the site will permit, or temporary, to be destroyed when the occasion arises. These quarters should be constructed in advance of the completion of the fort when needed, and paid for out of the appropriations for the Engineer Department, instead of the Quartermaster's funds. The former are usually liberal, whereas the latter are always taxed beyond their means by the unforeseen demands of the inland forts and military stations, which present stronger claims for immediate assistance.

The report of General Dyer, Chief of Ordnance, contains much that is of the greatest interest to the army. All our troops are now supplied with breech-loading small arms of the best kind, fully equal to any in use by foreign armies. Yet, as inventions and so-called improvements are all the time being pressed by inventors, I have committed to a board of experienced and practical officers in St. Louis, with General Schofield at its head, the task of making a practical test of all small arms and ammunition that may be submitted prior to March 1, 1870.

In field guns the experience of our late war demonstrates that we have in the Napoleon twelve-pounder smooth-bore, and in the three-inch ordnance rifled gun, all that is to be desired in this line.

In the matter of heavy sea-coast ordnance there is a wider range of opinion, that I do not propose to discuss in this paper further than to say that I am convinced that for our sea-coast forts we should use the ten-inch, fifteen-inch, and twenty-inch smooth-bore cast-iron guns for the great mass of fire, with mortars of the same caliber and using the same identical shot. The ten-inch gun has been thoroughly tested, the fifteen-inch partially, and experiments are being made with the twenty-inch gun, of which we have only two in use. Each fort should be supplied with a few very accurate long-range rifled guns of as heavy a caliber as can be used with reasonable safety. Of these a great variety are being pressed on the

attention of the department, and I recommend that further experiments be authorized until the best model is secured.

I concur with General Dyer perfectly in his recommendations that the small and surplus arsenals at Rome, N. Y., Champlain, Vt., Mt. Vernon, Ala., Appalachicola, Fla., and Fayetteville, N. C., be sold, as well as the captured establishments at Shreveport, La.; Marshall and Jefferson, Texas, and in Marion and Davis Counties, Texas. Other small arsenals might, in due course of time, be sold, until we have, at central points, but a few great arsenals and depots of powder, and these should be of the most perfect kind on the most extensive scale. Our railroads can rapidly transfer from these arsenals the requisite stores at the times and to the places needed, on short notice.

In conclusion, I will invite the attention of the proper authorities to the earnest recommendation of General Thomas, made in his report, and repeated to me personally, that the seal islands of Alaska, St. Paul, and St. George be sold, after due advertisement, to the highest bidder. From the nature of the fur seal, either of these islands, held by a single owner, will be a most valuable property; but if thrown open to the world they will soon become valueless, because the seals will not resort to those islands if they are hunted and killed without due regard to their habits.

General Thomas informed me that there were parties in San Francisco ready to bid for them several millions of dollars, which would go far toward indemnifying the government for an otherwise poor and costly country.

I have the honor to be, your obedient servant,

W. T. SHERMAN, *General.*

General W. W. BELKNAP,  
*Secretary of War.*

## REPORT OF THE ADJUTANT GENERAL OF THE ARMY.

ADJUTANT GENERAL'S OFFICE,  
Washington, October 22, 1869.

GENERAL: I respectfully submit the usual annual reports of the army as follows:

Table showing the "organization of the regular army," marked A.

General return or exhibit of the actual strength of the regular army, marked B.

Memorandum statement of recruiting service, accompanied by table of enlistments made.

Statement of the "position and distribution of troops," as follows: Military division of the Missouri, marked C; department of the Missouri, marked C 1; department of the Platte, marked C 2; department of Dakota, marked C 3. Military division of the South, marked D; department of the Cumberland, marked D 1; department of the South, marked D 2; department of Louisiana, marked D 3; Fourth Military District, marked D 4. Military division of the Atlantic, marked E; department of the East, marked E 1; department of the Lakes, marked E 2; First Military District, marked E 3. Military division of the Pacific, marked F; department of California, marked F 1; department of the Columbia, marked F 2; department of Alaska, marked F 3. Fifth Military District, marked G.

Section 10, act approved July 28, 1866, "to increase and fix the military peace establishment of the United States," provides "that the Adjutant General's Department of the Army shall hereafter consist of the officers now authorized by law, viz: one Adjutant General, with the rank, pay, and emoluments of a brigadier general; two assistant adjutants general, with the rank, pay, and emoluments of colonels of cavalry; four assistant adjutants general, with the rank, pay, and emoluments of lieutenant colonels of cavalry; and thirteen assistant adjutants general, with the rank, pay, and emoluments of majors of cavalry.

Section 6, act approved March 3, 1869, provides that until otherwise directed by law there shall be no new appointments in the Adjutant General's Department. Under the provisions of this last act the lamented death of Colonel and Brevet Major General W. A. Nichols, and the resignation of Major and Brevet Colonel S. F. Chalfin, have reduced the department by two. There are now six military departments not provided with an officer of the Adjutant General's Department, the duties being performed by officers detailed for that purpose by the department commanders. The regular Adjutant General's Department throughout the war was not larger than the peace establishment required, but with the aid of a volunteer branch of the department the requirements made upon it were met. The organic act of July 28, 1866, would not at present provide all the officers which the organization of the army into divisions and departments now requires, and a repeal of so much of section 6, act of March 3, 1869, as prohibits further appointment or promotion, leaving the organization of the department as it was fixed by section 10, act of July 28, 1866, above quoted, is therefore recommended.

The following recommendations, made in the last annual report from this office, are considered of so much importance that they are now renewed:

That the enlistment of boys over twelve years of age, with consent of their parents or guardian, be authorized by law to supply musicians to the army. At the minimum age now sanctioned by law a lad is too old to begin the training requisite, especially for a drummer, with any prospect of attaining a useful degree of proficiency. It is only since the late war began that the law has prevented music boys from being enlisted by excluding, in general terms, all under sixteen years of age, though it is not believed to have been the intention that such should be its effect.

Many sons of old soldiers were formerly thus provided for, and not only were the most useful class as field musicians, but often became in after years excellent non-commissioned officers.

It is recommended that Congress be requested to pass an act authorizing the President to drop from the rolls of the army any officer who may desert, and who cannot be apprehended for trial by court-martial within three months after desertion. There are several of this class now borne on the rolls of the army.

It is recommended that the superintendents of national cemeteries be placed on the footing of enlisted men, in the same way as ordnance sergeants of posts. This can be done by a simple enactment: That the superintendents of national cemeteries, authorized by the act of February 22, 1867, shall be enlisted for the period of five years, unless sooner discharged by proper authority.

It is now more than four and a half years since the recruitment of men for the volunteer armies ceased, and most, if not all, legal claims against the fund for "collecting, drilling, and organizing volunteers"

have been paid, or are on file undergoing examination and verification with a view to payment. Claims fraudulently made up to cover *alleged* expenses continue, however, to be presented, and they are so skillfully prepared that it is only by great care and labor on the part of this office that the fraud is detected. The detection is made the more difficult by the use of official information, which some of the parties gained possession of while in the military service. It is therefore recommended that legislation be had limiting the time within which claims for expenses incurred prior to muster into service may be presented.

The officers of the department are stationed as follows:

The Adjutant General, in charge of Adjutant General's Department, Washington, D. C.

One colonel, two lieutenant colonels, and nine majors at headquarters military divisions and departments.

Two lieutenant colonels and two majors on duty in Adjutant General's Office.

One major reporting to the Secretary of War.

Total, one brigadier general, one colonel, four lieutenant colonels, twelve majors.

I have the honor to be, general, very respectfully, your obedient servant,

E. D. TOWNSEND,  
*Adjutant General.*

General W. T. SHERMAN,  
*Commanding U. S. Army, City of Washington.*

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## REPORT OF THE RECRUITING SERVICE FROM OCTOBER 1, 1868, TO OCTOBER 1, 1869.

ADJUTANT GENERAL'S OFFICE,  
*October 11, 1869.*

Recruiting, except for engineers, cavalry, band and field musicians, and the companies composing the artillery school at Fort Monroe, was entirely suspended until April 26, 1869, when orders were issued to re-establish the recruiting service, with superintendencies at New York City, Cincinnati, Ohio, St. Louis, Missouri, and San Francisco, California—these in addition to the depot for cavalry service at Carlisle Barracks, Pennsylvania. Since that date recruiting has been actively conducted at rendezvous established in many of the principal cities, and recruits are obtained at the rate of about 1,050 per month, which, it is confidently expected, will be further increased during the coming winter, experience having shown that more men entered the army then than during any other season of the year. The officers detailed for recruiting service have been principally selected from those wounded or disabled in service, and those left out in the consolidation of the infantry regiments.

The term of enlistment having been changed from three to five years by the act of Congress approved March 3, 1869, it is believed that this measure will promote the efficiency of the army, and, as it becomes filled, in course of time materially diminish the expenses of the recruiting service.

Rendezvous are in operation in five cities on the Pacific Coast, and supply in a measure the wants of regiments stationed in that section of the country.

E. D. TOWNSEND, *Adjutant General.*

*Statement showing the number of enlistments and re-enlistments in the regular army from October 1, 1868, to October 1, 1869, compiled from reports forwarded to this office by superintendents of general and regimental recruiting service and by recruiting officers.*

Regiments, &c.	Number enlisted and re-enlisted.	Regiments, &c.	Number enlisted and re-enlisted.	Regiments, &c.	Number enlisted and re-enlisted.
General service .....	2,516	3d infantry .....	154	25th infantry .....	109
Mounted service .....	2,051	2d infantry .....	118	26th infantry .....	17
Engineer battalion .....	352	4th infantry .....	35	27th infantry .....	76
Ordnance department ..	411	5th infantry .....	159	28th infantry .....	21
Military Academy .....	73	6th infantry .....	90	29th infantry .....	48
Artillery school .....	3	7th infantry .....	50	30th infantry .....	10
Post band musicians .....	22	8th infantry .....	108	31st infantry .....	18
1st cavalry .....	55	9th infantry .....	68	32d infantry .....	19
2d cavalry .....	145	10th infantry .....	152	33d infantry .....	48
3d cavalry .....	167	11th infantry .....	74	34th infantry .....	54
4th cavalry .....	182	12th infantry .....	147	35th infantry .....	79
5th cavalry .....	132	13th infantry .....	8	36th infantry .....	57
6th cavalry .....	46	14th infantry .....	52	37th infantry .....	56
7th cavalry .....	39	15th infantry .....	59	38th infantry .....	
8th cavalry .....	40	16th infantry .....	82	39th infantry .....	
9th cavalry .....	3	17th infantry .....	125	40th infantry .....	
10th cavalry .....		18th infantry .....	58	41st infantry .....	2
1st artillery .....	331	19th infantry .....	74	42d infantry .....	35
3d artillery .....	149	20th infantry .....	47	43d infantry .....	23
2d artillery .....	233	21st infantry .....	166	44th infantry .....	71
5th artillery .....	214	22d infantry .....	64	45th infantry .....	62
4th artillery .....	211	23d infantry .....	35		
1st infantry .....	205	24th infantry .....	45	Total .....	10,343

ADJUTANT GENERAL'S OFFICE, October 11, 1869.

E. D. TOWNSEND, Adjutant General.

## REPORT OF THE INSPECTOR GENERAL.

HEADQUARTERS ARMY OF THE UNITED STATES,  
INSPECTOR GENERAL'S OFFICE,  
Washington, October 19, 1869.

SIR: Since the last annual report was made of the inspection branch of the army the stations and employment of the inspectors general and of the assistant inspectors general have been as follows, viz:

Inspector General R. B. Marcy was on duty at the headquarters of the military division of the Missouri, supervising the inspection branch of the service in that command, until March 15, when by General Orders No. 12, headquarters of the army, series of 1869, he was transferred to Washington and placed in charge of the Inspector General's office in the War Department.

Inspector General D. B. Sacket was on duty in the department of the Cumberland until October 29, 1868, when he was transferred to the military division of the Atlantic, where he has continued on duty ever since. This officer has been occupied the greater portion of the year in making thorough inspections of the numerous forts, arsenals, and stations within the limits of the commands where he has served.

Inspector General Edmund Schriver was in charge of the Inspector General's office in the War Department until relieved by Inspector General Marcy. He has also been continued on duty as the Inspector of the Military Academy, and has made two thorough inspections of that institution and of the post of West Point during the year. He has also acted as staff officer under the direction of the Secretary of War.

Inspector General James A. Hardie was on duty at the headquarters of the army as presiding member of the board of claims in the War De-



partment, instituted by Special Orders No. 143, War Department, Adjutant General's Office, of June 16, 1868, until April 26, 1869, when he was transferred to the military division of the Missouri, where he has since continued on duty. He has, under the instructions of the Lieutenant General commanding, made an inspection of the condition of affairs in the country recently assigned to the Cheyenne and Arapaho Indians, and has supervised the inspection service in the extended division of the Missouri.

Assistant Inspector General N. H. Davis was on duty in the district of New Mexico until December 23, 1868, when, pursuant to General Orders No. 284, headquarters of the army, of November 28, 1868, he proceeded to the headquarters military division of the Missouri, was assigned to duty in the department of the Missouri, and has continued on duty there up to the present time. This officer has been engaged the greater part of the year in inspections and investigations at military posts and camps throughout that extended department, and collecting information in regard to Indian raids upon the borders of Kansas, the destitution of the settlers, and their necessities for government aid resulting therefrom.

Assistant Inspector General James Totten was on duty in the department of the east until General Halleck took command of the military division of the south, when he was transferred to that division. He has made thorough inspections of the troops and forts in the department of the east, and has been actively engaged.

Assistant Inspector General Roger Jones has been on duty under the orders of the commander of the military division of the Pacific, and has been actively occupied the greater part of the year in making extended and laborious tours of inspection through Arizona and other parts of that extended division. This officer's inspections have been thorough, and his reports have furnished much valuable information.

Assistant Inspector General Absalom Baird was on duty at the headquarters department of the lakes until October 1, 1868, when he was transferred to the department of Dakota. He has recently made an extended tour of inspection through Montana and upon the upper Missouri River in company with the department commander, and has made an important report of the same.

Assistant Inspector General E. H. Ludington was on duty in the department of the south until April 12, 1869, when he was transferred to the military division of the Pacific, where he now is. He has been actively occupied during the year, and has made several tours of inspection in the departments of the south and Alaska, which his reports show to have been thorough.

Besides the organizations that have been supplied with regular inspectors, eight departments and three military districts have been furnished with acting inspectors. During the year one colonel, five lieutenant colonels, seven majors, fifteen captains, and four first lieutenants have, from time to time, been so employed.

The commanders of extensive divisions and departments, like some of those upon the frontier, can seldom find sufficient time to leave the business connected with their headquarters and travel several thousands of miles in wagons to inspect all the posts throughout the limits of their widely-dispersed commands, and the only other means they have for obtaining correct and continuous information in regard to the manner the service is conducted at distant posts is through the agency and reports of competent and reliable inspectors.

As the office of the supervising inspector general at the headquarters

of the army was only established in 1863, and as the working of this branch of the service has from time to time been somewhat modified and changed to meet the exigencies and requirements disclosed by practical observation, it may not be deemed inappropriate to notice, briefly, some of the more prominent features of the present system in illustration of its value as an adjunct of the army organization.

All inspecting officers are especially under the direction of the commanders to whose staffs they are attached, only receiving instructions from their seniors in the same branch of the service and in the same commands relative to the details of performing their duties. They are required to make such inspections and investigations as in the judgment of their commanders are from time to time required, and copies of all their reports, except such as are of a strictly confidential character, are transmitted through the different intervening headquarters to this office, with the action that has been taken by each commander for the rectification of such evils or irregularities as have been brought to their attention indorsed thereon. They are then carefully examined by me and extracts taken from them of all matters that should be brought to the

The inspections of this officer have been thorough, and his reports have furnished a large amount of valuable information to the authorities. notice of the authorities at the headquarters of the army, and these are referred to the proper officers for their information and action.

The Secretary of War, the General in Chief, and the chiefs of bureaus of the War Department are thus kept advised of all matters that require their attention at every military post and station within the limits of our entire possessions. The reports are then filed away in this office, where convenient reference can be had to them at all times.

Under existing regulations and orders inspectors are the only officers authorized to inspect public property with a view to its condemnation, which duty alone involves a great amount of labor and time.

The results of the inspections and reports that have been made during the last year have been to discover and bring to the notice of the proper authorities the qualifications of different officers to fill the positions that have been assigned them; the condition of the troops in regard to discipline, drill, and efficiency; whether duty has been neglected; laws, regulations, or orders violated; public property misapplied, lost, or wantonly destroyed; whether there have been extravagant or unnecessary expenditures of public money, stores, or material; and the personal responsibility for all irregularities and abuses, with suggestions to superior authorities for remedial action.

The reports of the different inspectors show that through their efforts and agency, sustained and enforced by their commanders, there has been continued improvement in the discipline and efficiency of the troops, as well as the promotion of a more discriminating and careful regard for the economical application of public money and property; as an evidence of this I quote the following indorsement upon the annual report of the assistant inspector general attached to the headquarters military division of the Pacific:

“HEADQUARTERS DEPARTMENT OF CALIFORNIA,

“*San Francisco, September 28, 1869.*

“The information and suggestions of Colonel Jones have been of great value and importance, and on them are based much of the action taken by the department commander. His reports in regard to a more economical administration of affairs at remote posts, as yet unvisited by

the department commander, have resulted in great saving to the government.

“E. O. C. ORD,  
*“Brigadier and Brevet Major General Commanding.”*”

The commander of the division, Major General George H. Thomas, who forwards this to the headquarters of the army, invites attention to the foregoing indorsement.

The troops at many of their stations throughout the United States, for a considerable time after the close of the rebellion, received but little instruction in drilling, and the excuse for the omission generally was, that the great amount of labor required of the men in building and repairing barracks, and other necessary work, gave them no time for military exercises.

This, however, has to a great extent been rectified during the last two years through the inspectors, who have enjoined upon the commanders of posts the absolute necessity, before every other consideration, of instructing their troops in tactics, which has generally been enforced by superior authority.

The number of regular inspectors general and assistants is, under the existing organization, so inadequate to meet the requirements of the service that it would hardly be possible for them to perform the other duties enjoined upon them and properly inspect every military post and command once within the period of a year; whereas these inspections should be made, as in the English and some other well-appointed European armies, at least twice a year. It is true that through the agency of acting inspectors the inspections have usually been made as often as semi-annually; but it is, in my judgment, questionable if the existing policy of detailing officers temporarily from the line for this duty is conducive to the best interests of the service. My reasons for this are as follows: The officers of the inspection department in the regular establishment are required to make themselves thoroughly acquainted with the regulations and laws for the government of the army in all its various branches. They are generally men who have had experience in field and garrison service, and are, from habits of observation, acquired in frequent inspections, and their familiarity with the usages and details of the different arms of the service, better qualified to judge of the condition of the *personnel* and *matériel* of the army, and more competent to recommend suitable remedies for the suppression of evils, than an officer would be whose experience, for the most part, had been limited to only one branch of the service. Besides, inspections would be made with greater facility and uniformity by practiced officers who have made this their specialty and business. Moreover, the regular inspectors, only serving with particular commanders for a limited period, would not be so likely to become identified with their policy or wishes, which fact would tend to render them more independent, if it became necessary to report matters reflecting upon the administrative acts or qualifications of those commanders; while, on the other hand, the officers temporarily detailed from the line might be influenced in their action by the fear of displeasing their commanders and being deprived of a position they might desire to retain.

The majority of the commissioned officers in the existing army establishment are young men who have seen but little service, and they require the supervision and instruction which officers of more rank and experience can alone impart to them. If, therefore, field officers are detailed from the line for inspectors, great detriment to their regiments in

ensue from their absence. If, on the other hand, officers of junior grades are selected for this service, neither they nor their opinions would, as a general rule, command much respect from the troops.

In view of the foregoing considerations, I very respectfully recommend an increase in the number of assistant inspectors general to an extent sufficient to furnish an officer of the regular establishment for each military division and department, excepting the departments of the lakes and Alaska, which contain so few troops that they may, when necessary, be inspected by an officer of the bureau attached to the headquarters of the division.

This would require six (6) additional appointments, which, in the first instance, would slightly augment the expense of sustaining the present establishment, but would ultimately, in my judgment, greatly promote efficiency and economy.

R. B. MARCY,  
*Inspector General.*

The ADJUTANT GENERAL of the Army.

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## REPORT OF THE JUDGE ADVOCATE GENERAL.

WAR DEPARTMENT,  
*Bureau of Military Justice, October 9, 1869.*

**GENERAL:** In compliance with the direction of the Secretary of War, as communicated in the circular addressed by you to the chiefs of bureaus of this department of the 7th instant, I have the honor to submit the following report of the business of this bureau during the past twelve months, or between the date of my last official report of October 1, 1868, and the 1st instant.

The operations of the bureau during this period are briefly presented by the following summary:

1. Number of records of military courts received, reviewed, and registered, fourteen thousand nine hundred and forty-four, (14,944.)

2. Number of special reports made as to the regularity of court-martial proceedings, the pardon of military offenders, the remission or commutation of sentences upon claims against the government, and upon the miscellaneous questions of law referred for the opinion of the bureau, one thousand three hundred and fifty-two, (1,352.)

It is thus perceived that the amount of the official business of the bureau does not vary materially from that of the year preceding.

In addition to the items mentioned in the above statement, the bureau has been charged by the Secretary of War with the duty of systematically arranging and indexing, for purposes of ready reference, the important state papers belonging to the offices of the late Colonel L. C. Turner, judge advocate, and Brigadier General L. C. Baker, provost marshal. This work has been steadily progressing during the past six months, but, owing to the great volume and variety of the documents, a still longer period must elapse before, with the present force of the bureau, the task can be completed.

Another extra duty which was devolved upon this bureau by the resolution of the House of Representatives of March 27, 1867, of preparing lists of the fines and forfeitures imposed by military courts and of the cases of remission of the same, has been pursued during the past two years as steadily as the small clerical force at my disposal would permit.

The execution of this duty requires the examination of each separate record of trial, and already about fifty thousand records have been searched. It is anticipated that the entire work will be nearly or quite completed during the coming year.

Since the date of my last report the act of Congress of April 10, 1869, has been approved by the President, by which the corps of the judge advocates of the army has been fixed at eight members, and the President authorized to fill vacancies as they may occur therein. Although this number is not sufficient to enable me to supply all the requisitions received from military commanders for skilled officers in this branch of the service, it is yet a matter of satisfaction that the *status* of this useful corps has been permanently established.

The officers, clerks, and messengers of the bureau have generally accomplished their duties with fidelity during the year.

From information furnished, it is believed that the services of the judge advocates detailed for the military districts organized under the reconstruction acts, have been important and valuable to the civil as well as the military administration of those commands, and have been faithfully performed.

Respectfully submitted.

J. HOLT,  
*Judge Advocate General.*

Brevet Major General E. D. TOWNSEND,  
*Adjutant General of the Army, War Department, Washington, D. C.*

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## REPORT OF THE CHIEF SIGNAL OFFICER.

WAR DEPARTMENT,  
OFFICE OF THE CHIEF SIGNAL OFFICER,  
*Washington, D. C., October 20, 1869.*

SIR: The general instruction and supply of the army for some of the duties of the signal service, referred to in the last annual report, has continued under the supervision of this office during the past year. The end had in view has been to diffuse such information, and to so distribute apparatus and equipments, that ultimately each separate command or company shall have within itself the knowledge and the means to avail itself of telegraphic communication by modes of sign language, common to all, in any necessity or danger to happen in the duties of the army.

It has been the part of this office to indicate the course of instruction, to furnish the necessary supplies and equipments, and to secure the temporary organization, tuition, and services of a number of qualified officers and men to properly carry out the one, and to distribute and care for the other. It has not been contemplated to render every officer of the army an expert signal officer; but it has been a constant purpose to so arrange, that no officer of the army need be otherwise than willfully without so much knowledge of the signal service as the duties of his command are likely to call for; and to so provide, if disaster should come, ignorance may not be justly pleaded by any in extenuation of a neglect of duty. So little an acquaintance with the simpler forms of the signal service as will permit intelligent men to communicate words whenever in sight of each other, or in telescopic view, at a distance of, say, five miles, is so easily attained and preserved that the Chief Signal Officer has regarded this much of skill as readily to be made



ceeding under a general form of order, and with letters from the War Department, of which specimens (papers A and B) are herewith, upon their duties, found everywhere an interest in the progress of the signal service: the officers of the companies and posts availing themselves of the opportunity to add to their military knowledge, a knowledge of this branch, in proportion to their advantages, and as their duties have been or are likely to be active.

The plan of instruction, and the provision made for it, have demonstrated themselves sufficiently effective. They accomplish the work, so far as it has been carried out, with an organization less in number, and at an expense to the United States less in amount than that with which any undertaking of similar extent has been attempted. The full success of the plan has been impeded somewhat by various movements and delays, in part rendered necessary by the reduction of the army occurring in March last; and sometimes, it is possible, resulting from incorrect conceptions of the design of instruction, as originally approved by the department, or the satisfactory manner in which the work had progressed under it. Some months of experience and the concurrent actions of generals commanding departments, under the authority of the General of the Army, have, however, so demonstrated the propriety of the plan sought to be pursued, that the distribution of acting signal officers for departments is, at the date of this report, very nearly identical with that at first recommended. That those so serving have been in great part assigned for the duty by the department commanders from the number reported qualified, evidences the appreciation of the service in the army. The original recommendation was carefully considered. Tuition in any branch of duty is properly given, and the subject explained by those officers, only, who have been carefully taught themselves. The labor of one officer with two enlisted men is as little as it is possible to contemplate, as required for the duties of instruction and the care of property, in any department in which instruction is to be had at numerous posts, and so many posts are to be supplied. The care of both property and instruction, placed by law in this office, cannot be assured or such constant knowledge of the service had as will enable it to be wisely conducted or properly reported to the Secretary of War, or to the General of the Army, when occasion may require, with less than this assistance. It adds no permanent organization to the army of the United States. It improves for future usefulness the officers detailed upon it. No change of the extent or plan of instruction is now recommended. Instruction and supply have been had in the different geographical departments as exhibited in the memorandum of instruction and supply (paper C) herewith.

In submitting this memorandum the attention of the department is invited to an injustice inadvertently done those officers serving in military departments for which instructors are not provided, or where none are now on duty. Some knowledge of the signal service has come to be regarded among military and naval men as as necessary to be had as that of any other branch of military acquirement. Of officers to be selected for any occasion of special service, other things being equal, one skilled as a signalist would probably be chosen in preference to the ignorant. Without fault on their part, the officers of military departments without instructors find themselves inferior in tuition to those of contiguous departments, men not more energetic or more zealous of duty than they, and to serve in the same army with less chance of promotion, as compared with those more fortunate in this respect, and with less ability to avail themselves, for their commands, of a knowledge made common to others. It is but just that similar provision be made

mon in the army, and has considered some practical knowledge of the subject to be as properly expected of any officer as that of any other duty. A little knowledge of a part of the signal service, such as can be had by every officer, and even selected enlisted men, may on any day save life in the commands in which they are serving. It may insure the success of a campaign, or save the United States from loss of valuable property. It is useful in an hundred ways which suggest themselves to those who possess it. The experience of the past year has confirmed these views. The practice has been had without difficulty at the posts wherever it has been properly taught. The execution of the prescribed drills will retain it in recollection. To the reasons which led to the recommendations on the part of the Chief Signal Officer of that plan of instruction of the army, now in part carried out, has been added during the past year additional cogency in the formal adoption by the navy of the army plans for aerial and electric telegraphy, and the institution of the signal service of the navy by the Navy Department, with an organization of especially qualified officers, and a plan of instruction to be general and similar in effect to that existing in the army. The propriety of carrying to success such plans that our forces on land shall be so prepared that they may, at any time, supplement their efforts by the aid of the naval forces afloat in their vicinity, or in their turn aid the actions undertaken by the navy—each thus increasing its effectiveness by the intelligent co-operation of the other—is evident. Nor, when it is considered that the communication proposed amounts, in fact, to a slow conversation in words, in which messages of any import may be conveyed, and may be used to prevent threatened disaster to naval vessels on our coast in storms, or to tell to any vessel near them the dangers of the smallest detachment exposed on land, will it be deemed less necessary to practice the modes of conducting it in either service, in peace than in war. The Chief Signal Officer of the army has not been willing to fail to recommend this practice. It has had the approval of the highest authorities in both services, and there are very few in command in either, now willing to take the responsibility of neglecting to attempt to carry it out.

At the date of the last annual report of the Chief Signal Officer of the army to the Secretary of War, a class of selected officers detailed on the recommendation of the Chief Signal Officer, to be instructors and property officers, one for each of the geographical military departments, was under the necessary tuition and drill at Fort Greble, Maryland. A certain number of enlisted men were at the same time under practice to serve with these officers as assistants. The course of instruction heretofore described to the department was rigidly carried out in the case of these officers, and no one was reported as qualified to be an instructor, until he was able to communicate by visual signals, in words, by day and at night, at a distance of fifteen miles, to go accurately through the forms of drills established, to maneuver the field telegraph train, to manipulate complicated telegraphic instruments, and to transmit and receive messages over electric lines by sound. As the course of study and practice was completed, the assignment of one officer as instructor, with two enlisted men to each of the several geographical military departments, was recommended; and each officer assigned, ordered by the War Department to act under special instructions from this office, was furnished with full directions in writing as to the course to be pursued, and with such numbers of sets of signal equipments, telescopes and glasses as the distribution of troops in the departments to which they were assigned required *for their supply*. The officers designated as acting signal officers pro-



ceeding under a general form of order, and with letters from the War Department, of which specimens (papers A and B) are herewith, upon their duties, found everywhere an interest in the progress of the signal service; the officers of the companies and posts availing themselves of the opportunity to add to their military knowledge, a knowledge of this branch, in proportion to their advantages, and as their duties have been or are likely to be active.

The plan of instruction, and the provision made for it, have demonstrated themselves sufficiently effective. They accomplish the work, so far as it has been carried out, with an organization less in number, and at an expense to the United States less in amount than that with which any undertaking of similar extent has been attempted. The full success of the plan has been impeded somewhat by various movements and delays, in part rendered necessary by the reduction of the army occurring in March last; and sometimes, it is possible, resulting from incorrect conceptions of the design of instruction, as originally approved by the department, or the satisfactory manner in which the work had progressed under it. Some months of experience and the concurrent actions of generals commanding departments, under the authority of the General of the Army, have, however, so demonstrated the propriety of the plan sought to be pursued, that the distribution of acting signal officers for departments is, at the date of this report, very nearly identical with that at first recommended. That those so serving have been in great part assigned for the duty by the department commanders from the number reported qualified, evidences the appreciation of the service in the army. The original recommendation was carefully considered. Tuition in any branch of duty is properly given, and the subject explained by those officers, only, who have been carefully taught themselves. The labor of one officer with two enlisted men is as little as it is possible to contemplate, as required for the duties of instruction and the care of property, in any department in which instruction is to be had at numerous posts, and so many posts are to be supplied. The care of both property and instruction, placed by law in this office, cannot be assured or such constant knowledge of the service had as will enable it to be wisely conducted or properly reported to the Secretary of War, or to the General of the Army, when occasion may require, with less than this assistance. It adds no permanent organization to the army of the United States. It improves for future usefulness the officers detailed upon it. No change of the extent or plan of instruction is now recommended. Instruction and supply have been had in the different geographical departments as exhibited in the memorandum of instruction and supply (paper C) herewith.

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for each geographical department. The same process of reasoning exhibits the propriety of not limiting the instruction to the graduates of particular military schools to the exclusion of other officers.

The departments not provided with instructing officers are those of the Columbia, of Alaska, of the Lakes, and the first and fifth military districts; those in which instruction is not actively pursued are the departments of the East and of Louisiana.

The attention of the Navy Department was attracted early in the war of the rebellion to the advantages to accrue to the navy by the adoption of a signal service with an organization and modes of instruction similar to those in use in the army. The services of officers of the signal corps, detailed upon naval vessels, afforded a facility for communication not theretofore known, and which was found desirable. As early as 1861, an officer of the navy, now Commander S. P. Luce, was detailed at the request of the Navy Department, and with the authorization of the War Department, for instruction by the signal officer of the army. A course of practical instruction was adopted at the Naval Academy, then at Newport, and has been continued since with varying degrees of thoroughness. This course was greatly improved and extended, under the superintendence of Vice-Admiral D. D. Porter, at the Naval Academy removed to Annapolis. During the past year the subject of the signal service has received the especial attention of the Navy Department, and the result has been the designation of a naval chief signal officer and the formation for the signal service of the navy, which is to extend to all its vessels and divisions, of an organization for instruction, similar to that had in the army; the formal adoption of the manual of signals as a text-book in the navy, and of the use of the army modes and equipments for the purposes of communication. By the joint action of the War and Navy Departments, the duty has been devolved upon the chief signal officers of the respective services, to so provide that in all contingencies, hereafter, the communication between the land and naval forces shall be by modes similar in their use and known to the officers of both. By them also will be arranged the ciphers necessary to be used for secret communication between the two services, to be distributed to the officers entitled to receive them; and upon them will rest the duty of recommending to the proper authorities, from time to time, such improvement of the signal service, on land or at sea, as circumstances may make necessary. (Papers D and E.)

In furtherance of this plan and in compliance with a request of the Navy Department, a class of naval officers and officers of the marine corps has been under instruction at a school of telegraphs and signals at Fort Whipple, Virginia. These officers fitting to be acting signal officers of the navy, under the organization adopted, are qualified by tuition in the rigorous course adopted for instructors in the army, and are announced as competent, only after passing such tests as have been required of acting signal officers of the army. The report of Brevet Captain H. W. Howgate, acting signal officer, (paper F,) herewith, sets forth the course in detail and the names and rank of the officers who have been or are under instruction.

The formal and complete adoption by the Navy Department, and with the concurrence of the highest authorities of both services, of an organization and of plans which have had their origin in the army, under the direction of the War Department, cannot fail to be regarded with satisfaction. The co-operation so often to come from such a joint service cannot fail to add to the cordiality which has existed between the army

and navy, by the fact that for purposes of mutual assistance and defense, the separate arms, thrown together by duty, will act as one.

The course of instruction in the duties of the signal service embracing the use of visual signals and field electric telegraphs adopted by the order of the War Department at the Military Academy at West Point, has been continued during the past year better systematized, in some respects, than in the year preceding, and with improved apparatus for practical illustration. The general course has been, as hitherto, under Brevet Lieutenant Colonel Michie, United States engineers, as instructor. The thorough practical tuition of a class of officers at Fort Greble, Maryland, to fit them to be instructors, has permitted one to be recommended, as had been the understanding, as acting signal officer to assist in the instruction of the cadets. Lieutenant J. E. Hosmer, acting signal officer, was recommended for that purpose, and after being assigned to duty at the academy, in February last, became assistant to the instructor in military signals and telegraphy, being at the same time on duty in the department of tactics. The academy has during the year been furnished, by this office, with a field telegraphic train, complete, and with the improved apparatus for the ordinary flag and torch signals. Forms of drill for the manual of flag and torch and for the maneuvers and use of the field telegraphic trains, have been placed in such form as to be regularly used in the instruction of classes, and have been practiced at the academy with good results. The cadets of the first and second classes have acquired, under the course pursued, a fair proficiency in the service, and are well grounded in the principles of the different modes by which signals may be made.

The signal service drill, as given before the board of visitors to the Military Academy, at the annual examination in June last, and which embraced a drill of the field telegraph train, combined with lines of flag-signals, illustrating at once the erection of the telegraphic lines and the location of signal stations with flags, the transmission of messages in words, over both, by the cadets on duty; and finally at its close, the repacking and movement of the telegraphic train together with the recalling and breaking up of the signal stations which had been established some miles distant, elicited the commendation of the board at the time, and, as this office is informed, was made the subject of an especial mention in the board report to the honorable Secretary of War.

At the outlying encampment made by the cadets in August last, a temporary line of electric telegraph was erected by enlisted men, connecting the encampment with the post, at a distance of about five miles. This line was worked, after it had been erected, by cadets detailed for the purpose, and was constantly used for the transmission of messages.

The course at the academy will improve with longer experience and as it becomes more perfectly systematized. The best modes for the tuition and practice of classes are yet necessarily subjects for consideration. A regulation which shall place the course under the charge of an instructor, as a specialty, and which shall give proficiency in this branch, a value affecting the merit and general standing of the cadet, precisely as is given in other studies of the academic course, is desirable. The changes in a service so constantly developing as the signal service has been, has made it difficult hitherto to define exactly the lessons for classes. This difficulty is disappearing, and the course may be now arranged with as much of precision, perhaps, as for any other study. The study has continued to receive the favorable attention of the inspector of the academy, Brevet Major General Edmund Schriver, and of the

superintendent, Brevet Brigadier General T. G. Pitcher, with whom the Chief Signal Officer has conferred from time to time in reference to it.

Lieutenant Hosmer was relieved from duty at the academy July 18, 1869. His place as acting signal officer and assistant to the instructor has been supplied by Lieutenant J. P. Story, who discharges at the same time the duties of assistant professor of mathematics.

The course of instruction in the signal service at the Naval Academy, at Annapolis, has varied but little from that pursued in the preceding year. The want of an established signal service in the navy, and of instructors for this duty, fitted by the rigid course which has been found necessary in the army, has rendered it difficult hitherto to secure as thorough a course of tuition as has been desirable. It has been apt to vary with the varying information of the instructing officer in whose charge it might come.

The courses at the Military and Naval Academies should be studied under the same forms and regulations, in so far as is practicable; and proficiency in them should have a similar effect upon the general standing of the student at either. It has been the aim of this office, with the approval of the War and Navy Departments, to secure this uniformity. The recent establishment of the signal service of the navy and the preparation now making for its successful conduct by the thorough instruction at Fort Whipple, Virginia, in the modes insisted upon for acting signal officers of the army, of naval officers designed to be instructors, and of some in particular for service at the Naval Academy, will secure at once the perfection of the academic course and the practice of similar modes of tuition at the two academies. The co-operation assured by the regulations of the departments, which place the chief signal officers of the respective services in communication, will have an important bearing on the subject.

Within the few months past requests have been made at this office for the means of supply for instruction in some of the duties of the signal service for the artillery school of practice at Fortress Monroe, Virginia, and for the school of practice of engineers at Willets Point, New York.

The schools of practice afford an opportunity for reaching officers there gathered for instruction and to be afterwards scattered throughout the service. It is respectfully recommended that the temporary services of a suitably instructed officer from those who have passed the full course of instruction and practice of acting signal officers, or of one designated from the school to be instructed, be authorized for each of the schools of practice, and that they be supplied with the apparatus and equipments necessary for such parts of the course as can properly be taught at either.

In the last annual report of this office, mention was made of the instruction, at the request of the Swedish government, of two officers designated by that government and authorized by the Secretary of War to be instructed in some portions of the signal service. In acknowledgment of this service the communication (paper G) was addressed to the State Department and the thanks of the Swedish government were courteously conveyed to this office by the Swedish minister near this government, acting under additional instructions.

The post of Fort Whipple, Virginia, has been maintained as a post of practice and instruction.

The duties of the signal service offer the widest field for continued experiment and improvement, while the often occurring need for the instruction of officers and enlisted men requires that the best forms of

service and for drill and the best devices for apparatus be secured. The spread of the service from its general adoption by our land and naval forces necessitates a constant care that the forms to be furnished shall be as complete as they can be made and the apparatus proved by continual practical tests. The advances everywhere making in the science of military signaling and telegraphy, in the armies of foreign powers, and the mode in which it is pressed at schools of instruction set apart for the purpose, permit of no rest in the work of improvement in our own. For all the purposes of such experiment, drill, and practice, the little force stationed at Fort Whipple has offered valuable facilities, while it has served as the nucleus of a larger organization, to be developed at any time that threatened war may call for its extension. The results secured for the United States by its service have been, perhaps, equal in extent, with not more of expenditure than those which have followed the employment of the same number of men in any branch of military duty. The detachment has consisted of general service recruits, selected after examination. The number is proposed to be kept recruited to fifty, to permit of the drills of the field telegraphic train and to exhibit a specimen organization for the signal service. Each soldier of the force is instructed in the duties of field signaling, and when numbers permit, in electric telegraphy, as relates to the drill of the trains, and each is practiced with arms in the ordinary duties of the soldier. A force is thus secured, without additional cost, from which the army can be gradually supplied with skilled enlisted men, by details under proper regulations, to different regiments or companies, if this is desirable, and which at the same time exemplifies for improvement, in time of peace, a form of corps organization such as would be needed in war.

In the present condition of the service in the army and navy its uses are important. The varied duties of the signal service, embracing those of aerial and electric telegraphy, of communication in cipher and with field telegraphic trains, with the complete and frequent drills both branches require, will probably at all times devolve, like that of any other service requiring special knowledge, upon a small number of thoroughly instructed officers with especially drilled enlisted men. These can devote their time to the speciality in all its different branches and to the perfection of the duty. For this purpose the post has proved its especial usefulness. The good effect of practice there is felt throughout both the army and navy. No improvement upon this plan suggests itself as at this time to be recommended; nor does any method now occur by which the necessary duty can be better rendered. It has been a cause of complaint on the part of the men that little hope of promotion has been offered them, and there has been no provision for the pay of those serving as non-commissioned officers. There is reason to hope these objections may be obviated. The detachment has been reduced, by details to departments, to twenty-five men, a number sufficient to permit of some parts of the course of instruction, but too small to allow it to be completed.

The post is well located for the purposes for which it is occupied, on the heights overlooking the valley of the Potomac, whence ranges for near and distant practice may be had, varying from five to thirty miles. The ground in the vicinity is suited for the drills of telegraphic trains and for experiments with electric lines erected and left standing. The post is now a school for the officers and men of both the land and naval service, and from the studies had here will be traced much of the progress to be made in this branch in the army and navy. The special duties had at Fort Whipple are those peculiar to the signal service. These

have drills in the manual of the flag and torch, the trials of the field telegraph, and practice in the forms of inspection of field telegraphs and signal equipments. The experiments conducted have been for long range practice in signaling and the practical test of such portable telegraph lines as are used in the army. The report of Brevet Captain H. W. Howgate, acting signal officer, in reference to the naval officers under tuition, exhibits the course of instruction adopted.

The subject of field electric telegraph trains has continued to receive attention, the duties of this office requiring it to provide for their equipment and management. The experience of the past year, in which, for the first time, systematized experiment has been conducted, for long periods, with field lines, has demonstrated how easily organized telegraph trains may become a part of the equipment of an army, keeping up with its marches and as easily maneuvered as its artillery. Experiments with portable lines, kept standing for a period of some months, serve to show that it is entirely practicable, with officers and men well instructed, to connect commands by electric lines, to cost, after their erection, hardly more for their maintenance than the horses of couriers to carry messages over the same distance would require for their forage and the care of them. The lines can be very easily put in use.

A model section train has been constructed on the plans described in the last annual report of this office, all the parts of which are of the size and structure proposed for active service in the field in time of war. It is comparatively inexpensive in its cost. The style of its equipment is based upon what experience in actual campaigns has shown to be necessities in the field. The lines carried by these trains, the modes of insulating them, the batteries, the instruments, the appliances, the ways of using them, have been devised to fit it, to accompany an army in its marches and battles.

The drills of telegraphic trains are those of military organizations, with systematized forms of command and execution. They require all the duties, to the final act of transmitting the messages, to be done by the officers and men serving with them. They have been similar to those described more at length in the last annual report from this office. The soldiers of the train are armed for its escort or for its defense.

It has been found practicable, with proper train organizations, to erect portable lines of telegraph at the rate of three miles an hour. The organization proposed for a full train, of which a section train is but a part, provides for the erection, simultaneously, of four lines of telegraph in as many different directions. The drill adopted for these trains can be used, increasing the number of men, for the erection of permanent lines, to follow the course of an army with a speed which, before its arrangement, had not been contemplated.

Contemplating the results already obtained and the power field telegraphic trains, capable of rapid movement, will place in the hands of generals commanding, to have at once before them, by telegraphic report, the whole field of operation and to move their forces at the moment the motion may be most effective, it is considered advisable that experiments in this direction be continued with every facility that can be given.

The powers of the electric telegraph, as relates to their use in the army, are yet in the infancy of their application. There is no field in which study promises a better reward, and none in which it can be encouraged by the hope of more useful and ultimately more appreciated results.

In reviewing the duties of the year, the Chief Signal Officer finds cause for satisfaction in the general interest with which the service has been received throughout the army, its formal and extended adoption by the

navy, and in the progress of improvement, the result of experiment and practice, in the modes of operation by either aerial or electric telegraphy, and in the manner of teaching them by regular drills and courses of instruction. The service, extending over a wide field in the army, has required but a trivial expense. It has been conducted by officers who, only temporarily upon it, have labored as zealously and as much for the interest of the United States as if they constituted a corps.

The total expenditure of this office, on account of the signal service, since the date of the last annual report, has been twelve thousand and ninety-six dollars and seventy-six cents.

A year ago the general knowledge of the duty had throughout the army was little and vague. Already this is so changed that the time is not far distant, probably, when acquaintance with the simpler signal codes will be common in both the army and navy. The plans so long contemplated by the department, and so steadily pressed, approach their consummation. The little hinderances and annoyances incident to an unaccustomed service, and more often the result of inadvertence than intention, are disappearing, with better conceptions of the duty and of the results to be expected from the plans in execution. The service has opened before it the way to a general application and a utility fully established.

I am, sir, very respectfully, your obedient servant,

ALBERT J. MYER,

*Brev. Brig. Gen. and Chief Signal Officer of the Army.*

The ADJUTANT GENERAL of the Army.

## REPORT OF THE QUARTERMASTER GENERAL.

QUARTERMASTER GENERAL'S OFFICE,  
Washington, D. C., October 20, 1869.

SIR: I have the honor to submit the annual report of operations of the Quartermaster's Department during the fiscal year ending June 30, 1869.

On July 1, 1868, the balance of appropriations to the credit of this department in the treasury undrawn, was by report of last year.....	\$514, 174 63
Add special appropriation not heretofore taken up on the books of this office—Statutes at Large, vol. 12, page 201, act of March 2, 1861.....	1, 000 00
Also amount of requisition issued prior to and canceled within the fiscal year.....	7, 700 00
Add sums which, having been expended by this department, have been refunded by other bureaus during the present fiscal year .....	505, 630 48
	<hr/>
	1, 028, 505 11
Appropriations for the fiscal year 1869, act of Congress June 8, 1868 .....	14, 225, 000 00
Appropriations for deficiencies in the fiscal year 1869	12, 600, 000 00
Amount to the credit of appropriation from sales of property during the fiscal year .....	1, 071, 213 96
	<hr/>
	28, 924, 719 07

Remittances to officers for disbursement.....	\$19,182,266 30	
Requisitions on account of settlements made at the treasury of claims and accounts.....	2,786,217 78	
Total expenditures .....		21,968,484 08
		<u>6,956,234 99</u>
Deduct appropriation for fire-proof building at Jeffersonville, Indiana, carried to the surplus fund. (See last annual report of the Quartermaster General, page 13) .....		150,000 00
		<u>6,956,234 99</u>
Balance of appropriation for the Quartermaster's Department, subject to requisition July 1, 1869.....		13,865,000 00
Appropriations for the fiscal year 1870, act of Congress March 3, 1869.....		\$600,000 00
Appropriation for national cemeteries, miscellaneous appropriation bill, March 3, 1869.....		
Total amount available for service of the fiscal year ending June 30, 1870 .....		21,241,234 99
		<u>21,968,484 08</u>
It will be perceived that the expenditures of the past fiscal year have been.....		36,506,381 53
Those of the previous year were.....		
Showing a reduction in absolute expenditure of.....		14,537,897 45

There are, however, outstanding debts in some of the remote districts which will somewhat affect this result. It may be assumed that the absolute reduction is not less than \$12,000,000.

The reduction of the army by consolidation of regiments, under the legislation of last session, was effected in the latter part of the fiscal year.

The assembling of troops under the General Orders Nos. 16 and 17, which effected this consolidation, imposed a heavy expense for transportation upon this department.

Under orders from the President, the number of civilians hired at the various posts for the service of the Quartermaster's Department, which was reported in February, 1869, at 10,494, was, by June 30, the end of the fiscal year, reduced to 4,000. This will effect a great saving in expenditure of this department during the present fiscal year.

The labor of the military service will, under this order, be performed in a greater degree by the troops themselves than has been the custom heretofore.

The officers of the line disliking to excuse men from military duty in the ranks and on parade, there is a constant tendency to call upon the officers of the Quartermaster's Department to supply mechanics, teamsters, and laborers for all the operations attending the shelter and the supply of the troops.

This can only be met and overcome by stringent orders from the chief of the army, and by the constant support by the higher commanders of the efforts of the officers of this department.



The commander of a post, or of a company or detachment, almost always sees his soldiers employed in labor with regret.

Since the large reduction made by the order of the President, many applications are made for permission to direct the quartermasters to employ civilians in excess of the contingent allowed under that order.

As all these are referred through the Secretary of War for the action of the President himself, the numbers are now kept within bounds, and permission to exceed the contingent is given only in cases of temporary emergency or extreme necessity.

A statement of accounts received and examined during the year will be found at the end of this report.

This department is charged with the duty of providing means of transportation by land and water for all troops and for all the material of war. It furnishes the horses for artillery and cavalry, and the horses and mules for the wagon trains. It provides and distributes tents, camp and garrison equipage, forage, lumber, and all materials for camps and for shelter of the troops and stores. It builds barracks, hospitals, and storehouses; provides wagons and ambulances, harness, except for cavalry and artillery horses; builds or chartered ships and steamers, docks and wharves; constructs and repairs roads, railways, and their bridges; clothes the army, and is charged generally with the payment of all expenses not expressly assigned by law and regulation to some other department.

Arms, ammunition, medical and hospital stores, and subsistence stores are purchased and issued by other departments, but the Quartermaster's Department transports them all to the place of issue in camp, garrison, or in the field, and on the field of battle. These duties have been efficiently performed during the year.

The officers of the corps are not numerous enough to perform its duties at every post or station, and it has been obliged to call upon many officers of the line, who have been detailed to serve as acting assistant quartermasters, even in positions in which they have been charged with the disbursement of large sums of money.

Not less than 500 officers of the line are on duty as disbursing officers of the quartermaster's department in the course of the fiscal year in addition to the 84 officers who constitute its establishment.

It would be true economy to confine this duty at all important posts to the regularly appointed and bonded officers of the department, whose character and qualifications, whose experience and ability are known at headquarters.

Under the present system officers with little experience in public accounts, or in construction, are charged with the expenditure of large sums of money, with the erection of military buildings, and with the provision of transportation for supplies and troops.

These duties cannot be so safely, surely, and economically performed by them as by persons of experience.

The points at which such expenditures take place are distant, the necessity for action in the wilderness where troops are exposed on first taking position, without adequate shelter to preserve health, is urgent, and before this office can regulate or restrain such expenditure the mischief is done.

I repeat the recommendation heretofore made by this department that "so much of section thirteen of the act to increase and fix the military peace establishment of the United States, approved July 28, 1866, as provides that 'after the first appointments made under the provisions of this section, as vacancies may occur in the grades of major and captain

in the department, no appointments to fill the same shall be made until the number of majors shall be reduced to twelve, and the number of captains to thirty, and thereafter the number of officers in each of said grades shall continue to conform to said reduced numbers,' be repealed, and that there be added to the Quartermaster's Department so many assistant quartermasters, with the rank, pay, and emoluments of captain of cavalry, as will raise the number of officers of that grade to fifty, and that the vacancies thereby created in the grade of assistant quartermasters shall be filled by selection from those persons who have rendered meritorious services in the military service of the United States as assistant quartermasters of volunteers in the late war."

This recommendation of this office was approved and adopted in his annual report by the Secretary of War, then *ad interim*, the General of the army of the United States.

There can be no doubt that at all positions where the annual expenditure of this department exceeds \$100,000, it will be more economical to have a trained and experienced bonded officer to control it than one without experience.

The pay and allowances of a captain, assistant quartermaster, do not amount to two per cent. upon such an expenditure, and were these officers available an equal number of company officers now separated from their companies, and whose presence is much needed with the companies, could be returned to their appropriate duties.

There will always be many more posts at which the services of quartermasters are needed than there will be officers of this department available, and these will afford to young line officers the opportunity of practice in the duties of the quartermasters' department at less expense to the treasury than now, when they are placed in more important positions from absolute necessity.

From officers who have in such positions shown aptitude for the duties of the department its ranks can hereafter be recruited.

#### ACCOUNTS FOR DISBURSEMENTS.

An important change in the method of rendering accounts of disbursing officers of this department has been introduced during the year.

All officers are now required, immediately upon paying a voucher, to transmit one of the duplicate copies, the one intended for the treasury, to this office by the next mail after the payment is made. The abstracts, accounts current, and other papers required monthly by the regulations, are transmitted at the end of the month.

It is the duty of the accounts branch of this office to enter the vouchers daily received and to examine them immediately, and thus, if there be any error, the officer can be notified of it immediately, and is generally able to correct it before the person to whom the money has been paid is out of reach and while the subject is fresh.

I find that the papers most readily and most promptly acted on are the letters daily received and registered, and answered, and I do not doubt that the practice of daily transmission and examination of vouchers will secure a more prompt settlement of accounts and tend to save both the disbursing officers and the government from loss.

When at the end of the month the monthly abstracts and returns are received, the vouchers are compared with them, and then if any are missing the officer is advised thereof and can supply the loss by forwarding his retained copy. But losses by the mail are very rare, and in case of destruction of a mail the accounts of one day's payments only can be lost by any one officer within the reach of daily mails, while un-

der the former system the destruction of a mail entailed the loss of a month's vouchers.

This mode of sending accounts I understand is in use by some of the largest railroad and telegraph companies of Europe, and by one at least in this country, with most satisfactory results.

#### OFFICE ROOMS.

This office was on May 1, 1869, removed from the Art Building to the building on Fifteenth street, opposite the Treasury Department, formerly occupied by the internal revenue bureau.

The building is capacious, but it is not fire-proof, and it is at an inconvenient distance from the War Department.

It is very desirable that a fire-proof building of sufficient size to contain safely all the bureaux of the War Department under one roof should be erected.

The public military records, of great value to the treasury in ascertaining the facts in relation to claims of vast amounts, and of great value to the people, who have just claims arising out of military service and military operations, are now scattered through many buildings, none of which, I believe, are safe or fire-proof.

There is room on the site now occupied by the War and Navy Departments for the erection of a suitable building for this purpose. The land belongs to the United States, and portions of any new building could be made fit for occupation before it would be necessary to disturb the offices now in the northwest executive building.

By the use of cast iron for the ornamental portions of such a building it could be erected in good style and at a moderate expense.

Cast-iron architecture has made great progress in this country within a few years in consequence of the increasing cost of skilled labor in stone-cutting.

Fine examples of private buildings for commercial purposes and for offices are now to be found in all our great cities, and I know of no sufficient reason to prevent the general government from making use of this American architectural material, thus far little used for exteriors abroad, where labor is cheaper than it is with us.

#### TRANSPORTATION.

Brevet Brigadier General J. J. Dana has been in charge of the transportation branch of the office, including transportation both by land and water, and also of the settlement of the accounts of railways for such transportation, and of payments on account of the debts of southern railroad companies for military railroad rolling stock and materials sold to them under executive orders at the close of the war.

Detailed statements accompany his report.

Under executive orders there were sold on credit to various railroads, after the termination of the war, rolling stock and other railroad material of the Quartermaster's Department, to the value of, including charges for repairs .....

\$7,591,486 00

And under terms of sale, interest has accrued up to June 30, 1869, to the amount of.....

1,409,820 60

Making the total debt and interest .....

9,001,306 60

The payments on account to June 30, 1869, are.....

4,276,655 88

Leaving a balance due June 30, 1869.....

4,724,650 72

Of the \$4,276,655 88 paid, \$493,076 83 was credited during the fiscal year ending June 30, 1869.

The report of General Dana shows a decrease of this indebtedness during the year from September 30, 1868, to September 30, 1869, of only \$78,000.

The following railway companies have extinguished their debt in the course of the past year, viz: 1, Montgomery and West Point; 2, Virginia Central; 3, Rome; 4, Western and Atlantic; 5, Orange and Alexandria; 6, Manassas Gap; 7, Wilmington and Weldon; 8, Alabama and Florida, (for purchases and all indebtedness for repairs;) 9, New Orleans, Opelousas, and Great Western. Some Tennessee railroad companies have continued in default.

Lately the orders which prevented any efficient steps for the collection of the amounts due by these roads have been revoked, and measures have been inaugurated to collect the money through the courts when all other means have failed.

The Alexandria, Loudon, and Hampshire railroad, of Virginia, upon the appointment of a receiver, paid the sum of \$10,000 on account of its indebtedness, and deposited with the United States \$75,000 of its first mortgage bonds as security for the payment of the balance of its debt to the United States, which will probably be entirely extinguished in the course of the current fiscal year.

The New Orleans and Ohio Railroad Company failed to pay its debt to the Quartermaster's Department. It was also in debt to the Treasury Department, which instituted suit for recovery.

The road has been sold for \$300,000. This sale has secured to the Treasury Department its claim upon the road, but the claim of the Quartermaster's Department has been jeopardized, if not lost.

There is danger of the loss to the government even of its rolling stock and material, sold to this railroad company at the end of the war.

Under a decision of the United States circuit court at Paducah, the property in question may be recovered.

The final decision of the question awaits the action of the Supreme Court of the United States, to which the successors of the New Orleans and Ohio Railroad Company have carried the case.

In the course of the suit the property has been appraised at \$10,000. When sold by the United States, it was worth \$32,150.

In the cases of the following railroads—1, Memphis, Clarksville, and Louisville Railroad Company; 2, Edgefield and Kentucky Railroad Company; 3, Alabama and Chattanooga Railroad Company, (formerly Wills Valley;) 4, McMinnville and Manchester Railroad Company; 5, Nashville and Chattanooga Railroad Company; 6, Nashville and Northwestern Railroad Company; 7, East Tennessee and Virginia Railroad Company; and, 8, East Tennessee and Georgia Railroad Company—they having all neglected or refused to fulfill the obligations of their purchases from the United States—steps have been taken looking to suits upon their bonds.

The suit in the case of the Nashville and Chattanooga railroad has already been commenced by the United States district attorney for the middle district of Tennessee.

The decision in this suit will probably govern all the others, as the facts, it is believed, are not in dispute in any of the cases.

It will probably be necessary to take legal measures to enforce payment of the debt of the Nashville and Decatur Railroad Company, which has made no payment in cash since January 1, 1869. Upon the application of that road for delay, an examination was made by an

agent of this department, an expert, which showed a condition of affairs very different from that reported to this office by the company, and, with the approval of the Secretary of War, they were called upon to pay at least \$8,000 a month, which they have neglected to do.

The following railroad companies appear to have the ability and the desire to pay what they have covenanted for the property purchased by them: 1, Alexandria, Loudoun, and Hampshire; 2, Atlanta and North Carolina; 3, Alabama and Florida, for repairs; 4, Indianola; 5, Mississippi, Gainesville, and Tuscaloosa; 6, Macon and Brunswick; 7, Mobile and Ohio; 8, Mississippi and Tennessee; 9, Memphis and Ohio; 10, Pacific Railroad of Missouri; 11, Selma and Meridian; 12, Vicksburg and Meridian; 13, Washington, Alexandria, and Georgetown.

For the details of the indebtedness of these several railroads, I refer to a tabular statement which accompanies this report. The gross amount of the debt is stated above.

#### WATER TRANSPORTATION.

During the fiscal year ten vessels—nine steamers and one schooner—are reported as chartered in ocean and harbor service, at total cost of \$143,978 71.

Twenty vessels of all classes have been the property of the department during the year, viz: Nine steamers and eleven schooners, sloops, and barges. Seven vessels—viz: four steamers and three sailing vessels—have been sold, realizing the sum of \$37,790.

Since the close of the fiscal year one steamer and two barges have been sold at public auction, and the steamer Ella Morse has been ordered sold.

The steamer Newberne was, upon requisition from the Pacific coast, for a steamer to keep up communication with Alaska, purchased from the Navy Department on September 1, 1868, at the price of \$35,000.

She sailed from New York on December 12, 1868, and arrived at San Francisco on April 30, 1869.

There was expended upon her, including her original purchase money, the sum of \$102,136 09, as follows:

Original purchase.....	\$35,000 00
Alterations and repairs.....	19,725 95
Outfit and supplies.....	18,042 61
Labor.....	109 72
Fuel and coaling.....	2,340 30
Wages of officers and crew.....	6,307 92
Pilotage.....	359 59
Gold in hands of captain to meet expenses on the voyage, \$15,000.....	20,250 00
Total.....	<u>102,136 09</u>

She touched at various ports; passed through the Straits of Magellan, with detentions in harbor of forty-five days, and was under way ninety-two and two-thirds days.

The longest run in any twenty-four hours was 226 miles.

Her cost from her arrival in San Francisco to June 30, 1869, for repairs, victualing, and manning and running, has been \$20,551 37.

She is constantly and advantageously employed in supplying the

Alaska posts, and seems to have fully met all the requirements of the service.

The total amount expended for repairs and wages of crews of vessels owned by the department during the year was \$163,870 86.

The movement of transportation by water during the year was: Number of persons, 96,118; number of animals, 3,685; tons of freight, 62,171.

The total expended for water transportation during the year was \$1,424,222 82.

Contracts for water transportation were given during the year over the following routes: 1, New Orleans to Brazos Santiago and way points, and return, with C. A. Whitney & Co.; 2, New Orleans to Pass Christian and Mississippi City, with Whitney & Hutchinson; 3, Brazos Santiago to Brownsville, Ringgold Barracks, and Laredo—Kennedy & King; 4, New Orleans to Fort Pike and Mobile, Alabama—Whitney & Hutchinson; 5, Ship Island to Mississippi City and Pass Christian, and return—L. B. Wakeman; 6, New Orleans to Key West, Barancas, Apalachicola, St. Marks, Cedar Keys, Tampa, Tortugas, two contracts—T. W. Pakers; 7, Mobile to Montgomery, Alabama—Mobile Trade Company, J. J. Cox, president; 8, Charleston, South Carolina, to Jacksonville, Pilatka, and St. Augustine, Florida—C. H. Campbell; 9, St. Louis to Fort Benton and way posts on the Missouri River—J. N. Bofinger; 10, Chicago to Sioux City by rail, and thence to Fort Benton and way points by water—J. Lawrence; 11, St. Paul, Fort Kodiak, to Fort St. Nicholas, Cook's Inlet—Hutchinson, Kohl & Co.; 12, Astoria to Lake Disappointment—J. H. D. Gray; 13, Victoria and Camp San Juan Island—Edgar Marvin; 14, between mouth of Colorado River and Eldorado Cañon—George A. Johnson & Co.

Of the above those between Mobile and Montgomery, Brazos Santiago and Brownsville, Charleston and Jacksonville, and one of those between New Orleans and Key West, expired in the course of the fiscal year. The others named are still in force, excepting the second contract between New Orleans and Key West, which expired September 30, 1869.

#### RAILROAD TRANSPORTATION.

The war rates of transportation granted by the convention of railroad companies assembled in this city at the invitation of Hon. E. M. Stanton, Secretary of War, early in 1862, ceased to govern the business of railroad transportation on March 1, 1867.

The classification of military stores having been revised in conference with the executive committee of general freight agents, early in 1867, the revised tariff was published in General Orders No. 24, of the Quartermaster General's Office, to go into effect on April 1, 1867.

This classification, combined with the rates of transportation published by the several railroad companies of the United States, has governed generally in settlement with these companies since that date.

Some railroad companies have refused to abide by it, and have insisted upon their own classification, as well as upon their tariffs of rates, maintaining that they are not bound by the action of the convention of general freight agents.

This branch settles the accounts with the Pacific railways, which now do a large part of the railroad transportation of the army, and also those of the indebted railroads.

The railroad transportation during the fiscal year, as reported, is:

Number of persons, 60,297; number of animals, 14,281; tons of material, 41,381.

The total cost of railroad transportation during the year was \$2,253,304 30.

Of the above there were moved on the Pacific railroads—Number of persons, 18,536; tons of material, 28,738.

At a cost for persons of .....	\$208,315 97
For material .....	724,850 24
Total by Pacific railroads .....	<u>933,166 21</u>

One-half of this sum is paid in money at the treasury, the other half is retained by the treasury to meet the interest on the bonds advanced by the United States to these roads.

#### WAGON AND STAGE TRANSPORTATION.

The only contract for stage transportation made during the fiscal year is that with Benjamin A. Resher, Austin, Texas, for the transportation of officers, soldiers, and employes in the service of the United States, from Austin and San Antonio to various points in Texas.

This contract commenced April 10, 1869, and expires December 31, 1869.

Under an arrangement made between the War Department and the Department of the Interior, May 21, 1869, supplies for the Indian service are transported on the plains under contracts made by the Quartermaster's Department; the cost of such transportation to be reimbursed to the Quartermaster's Department by the Indian Bureau, from the appropriation of \$2,000,000 for the pacification of the Indians, granted by the act of April 10, 1869.

The transportation by wagon and stage during the year was: Persons, 3,839; materials, tons, 27,316; costing \$1,673,508 42.

*Recapitulation.*—The total movement by land and water during the year has been: Persons, number, 152,466; animals, number, 17,966; materials, tons, 130,868; at a cost of \$5,351,035 54, which does not include the cost of purchase and support of the animals and wagons and wages of the men employed in the trains belonging to the United States, and employed with the army.

The miscellaneous claims acted on by the transportation branch of the office are as follows:

Claims on file July 1, 1868, 1,464, for .....	\$140,399 60
Claims received during the year, 1,000, for .....	103,944 75
Claims settled during the year, 592, for .....	46,222 85
Claims rejected during the year, 381, for .....	52,645 88

The claims and transportation accounts acted on by this branch during the year have been:

5,945, for .....	\$7,268,163 37
Disposed of, 3,208, for .....	5,083,970 11
Still on file June 30, 1869, 2,737, for .....	<u>2,184,193 26</u>

## ROSTER, ORDERS, AND INSPECTION.

A book containing a compilation of the military record and history of the officers of the Quartermaster's Department, during and since the war, was completed during the fiscal year.

A station book has also been completed, giving, so far as the reports of the officers have been received, the stations of officers on duty as quartermasters' during the war. In this book the stations are arranged alphabetically. A similar book relating to army organization has also been completed.

With these two books, the name of any station or of any army corps, division, or brigade being furnished, the name of the quartermaster on duty therewith, at any date, can be found, excepting the cases in which the reports have failed to reach the office from the casualties of war.

The lists of distances, for computing mileage, have been corrected from time to time as completion of new railroads has changed them.

A complete corrected list to the latest date is in preparation.

Of orders, 209,750 copies have been received, and 137,500 of them have been distributed during the year; and 2,500 inventory and inspection reports, reports of boards of survey, and 2,800 letters and other communications, have been acted on in this branch of the office, besides the personal reports of officers, and letters in relation to receipt and distribution of orders, &c.

At the commencement of the fiscal year twenty clerks were on duty in this branch of the office, shortly afterwards reduced to twelve, and at the end of the fiscal year to six only, which is not sufficient for the prompt transaction of the business of the office.

A report in tabular form, giving the stations and general outline of the duties of the officers of the department during the year, accompanies this report; also a statement of their posts and duties in the month of September, 1869.

## CLAIMS.

Under the act of July 4, 1864, and acts amendatory thereof, it is the duty of the Quartermaster General to examine any claim submitted in accordance therewith; and if convinced that it is just, and of the loyalty of the claimant, and that the stores have been actually received or taken for the use of, and used by the army of the United States, then to report it to the Third Auditor of the Treasury, with a recommendation for settlement.

On June 30, 1868, there were filed in this office 13,148 claims under this act, of which 11,736 had been suspended, waiting proof, which has in but few of these cases been presented; they amounted to \$6,592,706 92.

There were received during the year 4,154 claims, under the law, amounting to \$3,644,765 21; and 1,119 claims, for \$774,802 54, have been reported to the Third Auditor, with recommendation for settlement, as just, at \$490,568 86; 890 have been rejected, \$674,393 88; 3,557 have been suspended, amounting to \$2,508,553 05.

Forgeries and frauds of many kinds have been attempted in the prosecution of these claims; but it is believed that few have escaped the scrutiny to which they are subjected.

## NATIONAL CEMETERIES.

There are reported 72 national cemeteries, and 313 local, private, or post cemeteries, in which are interred the remains of deceased union soldiers.



The total number of interments reported.....	322,007
Of these we have been able to identify.....	171,948
And there yet remain unknown.....	150,659

There have been removed from the resting-places in which they were hastily buried, after death in battle, on the march, or in hospital, 233,709 deceased soldiers, and there still remain to be removed 10,753.

The aggregate expenditures attending the gathering of the remains of these soldiers, under the acts of Congress providing for their tender and reverent preservation, have been \$2,801,352 49; of which there were expended during the fiscal year ending June 30, 1869, \$465,067 50. The estimated expenditures for the fiscal year ending June 30, 1871, are \$500,000.

The titles by which the United States holds 71 of the national cemeteries have been approved as good and sufficient, by the Attorney General of the United States.

The erection of permanent iron or stone inclosures to the cemeteries, as required by law, has made some progress; and as the wooden fences with which they were at first surrounded require renewal, they will gradually be replaced by permanent inclosures.

It was thought best not to undertake this work, involving large expenditures, at all the cemeteries at the same time.

The question of erecting permanent head-blocks at each grave, remains as at the date of my last report. No decision has been made upon the material or style of monument to be used. Considering that over 320,000 will be needed, the argument in favor of the head-block, formerly recommended, grows stronger. It can be more cheaply manufactured and transported, and will be quite as durable as any but the most refractory and costly stone.

Great guns have been distributed and set up as monuments in many places. Tabular statements with this report show the condition of the several cemeteries.

At first in many of them too much gravelled or broken-stone road was constructed, and the natural surface of the earth was too much changed; hence difficulty in preventing degradation of the surface by rain and flood. The growth of grass, as the best preserver of the surface, is being encouraged.

There is but little actual travel on the roads and paths of the cemeteries, not enough to keep down the grass, and the attempt to eradicate it has been ill-judged and costly.

The Vicksburg cemetery was located upon the top of a bluff, in a beautiful and commanding position, but it required much terracing, which was expensive and insecure.

A civil engineer, skillful in drainage work, was sent to Vicksburg in February last, and has since been engaged in work for the preservation and protection of this cemetery.

Six volumes of the Roll of Honor have been published during the year, containing the record of 117,770 graves. Three volumes, containing the record of 51,635 graves, are in the hands of the public printer. The volumes thus far published, or sent to the printer, contain the record of 307,200 graves.

Four volumes, one during the fiscal year, have been published, giving information as to the removal and re-interment of 204,000 soldiers.

One copy of the burial register of each cemetery is kept by

the cemetery, and at the larger national cemeteries iron chests have been supplied for their preservation to the superintendents. One copy of each is in this office.

To June 30, 1869, the Secretary of War had issued warrants to ninety-two superintendents of national cemeteries. Sixty-three remained in service at that time.

A descriptive record of these superintendents, showing their military history, with remarks as to their conduct as superintendents, is kept in this office.

Several tabular statements accompany the report of the officer in charge of national cemeteries, to which I refer for detailed information upon their condition.

#### CLOTHING AND EQUIPAGE.

The clothing and equipage on hand at the close of the war in the spring of 1865, though much reduced by issues to the army in the four years which have since passed, and by large sales under the orders of the War Department of both serviceable and unserviceable material, will still suffice, with some exceptions, for the supply of another year to the army as at present constituted. Of some few articles it will be necessary to purchase a new supply, and the larger sizes of clothing it will be necessary to manufacture generally from material on hand.

No appropriation for clothing and equipage has been asked from Congress since 1865.

The greater part of this clothing and equipage is stored in the Schuylkill arsenal, in a fire-proof warehouse, containing 1,500,000 cubic feet of storage room, filled with material of war, and at Jeffersonville, on the Ohio River, in temporary wooden warehouses erected during the war.

A small stock still remains at Washington, and supplies for the army are being taken, whenever possible, from the depots of Washington and Jeffersonville in preference, in order as soon as practicable to close these two depots, and put an end to the expense of maintaining them.

The Schuylkill arsenal, fire-proof, and the property of the United States, is the proper and the only permanent general depot.

Sales of surplus serviceable clothing and equipage, made during the fiscal year, under special authority of the Secretary of War, have produced \$142,613 36. Sales of cloth and other materials, and of damaged, worn, and unserviceable articles under general regulations, have produced \$167,420 86. All articles sold are stated in a tabular report herewith.

Claims on account of clothing and equipage, purchased or taken for the use of the army, have been presented during the year to the amount of \$30,942 81.

Claims to the amount of \$19,156 have been forwarded to the treasury, with recommendation for settlement under the law. The remainder are still under investigation, or have been rejected.

At the date of the last annual report I had the pleasure to inform you that the examination of officers' returns and reports of clothing and equipage was completed up to date, and that the reports currently received were being examined and settled as received.

The reduction in the clerical force allowed this office has, I regret to state, made it impossible to keep up the current business.

On September 30, last, 3,220 returns had accumulated over and above those examined and settled, and the accumulation of unexamined returns was at the rate of about 200 per month.

I therefore am compelled to recommend that the employment of an

additional number of clerks be authorized. Other branches of the office are also suffering from a deficiency in clerical force.

During the year 14,670 returns of clothing and equipage were received and examined, and transmitted to the Second Auditor of the Treasury. The correspondence on this subject has involved the transmission of 25,832 separate communications.

Tabular statements accompany this report as follows:

1. Statement of clothing, camp and garrison equipage on hand at end of fiscal year June 30, 1868, in the hands of military storekeepers, assistant and acting assistant and regimental quartermasters, of commanders of companies, of recruiting officers, adjutants, surgeons, &c. 2. Similar statement for June 30, 1869. 3. Issues to the army during the fiscal year ending June 30, 1869. 4. Unserviceable, irregular, and damaged clothing, camp and garrison equipage sold during the fiscal year ending June 30, 1869. 5. Surplus serviceable clothing, camp and garrison equipage sold during the same year. 6. Surplus serviceable material sold. 7. Unserviceable material sold. 8. Amounts received from the above sales. 9. Clothing, camp and garrison equipage purchased and manufactured during the year. 10. Material for ditto purchased. 11. Expenditures at the principal depots. 12. Clothing, camp and garrison equipage sold to the National Asylum for Disabled Volunteers during the year. 13. Statement of returns, vouchers, and other papers relating to clothing and equipage received and acted on during the year. 14. Statement of claims for property purchased and seized for use of the army, received in this branch of the office during the year. 15. Clothing and equipage transferred and charged to the Indian Bureau during the year.

The gross value of the material of war in the form of clothing and equipage now in possession of the United States is:

At Schuylkill arsenal, Pennsylvania .....	\$12, 575, 812 34
At Jeffersonville, Indiana .....	14, 397, 424 84
At division and department depots, at military posts, and with troops .....	15, 663, 174 02
Total on hand .....	<u>42, 636, 411 20</u>

#### GENERAL DEPOTS.

Most of the general depots erected during the war, and continued for some time after its termination, as places in which to collect and preserve and to arrange for sale the military stores left on hand at the sudden disbanding of the army, have been broken up.

The property has been sold, transferred to the Schuylkill arsenal, at Philadelphia, or to the depot on the Ohio River, or to the local division and department depots, which are under the control of the division and department commanders.

Only four depots now report direct to the Quartermaster General: They are New York, Schuylkill arsenal, clothing depot at Washington, and the Ohio depot at Jeffersonville.

A statement of the property, principally clothing, camp and garrison equipage, accompanies this report.

These depots are for the army generally. Supplies are drawn from them on the orders of the War Department. The officers in charge, however, have always instructions to supply such stores as may be called for by the local commanders of the divisions and departments within which they are situated, and most of the officers, in addition to the

duties as in charge of the general depots, act under the orders of those commanders as chief quartermasters of the military divisions, departments, or districts within which they are situated.

At New York no large quantity of supplies is kept. The clothing and other materials stored there at the end of the war have been sold or transferred to other depots, in order to reduce the expenses of rent and of maintenance of separate depots. New York is a general depot only in the sense that, being the great port on the Atlantic, the storehouse to which a great part of the products and imports of the country tend, it is necessary to look to its warehouses for the material, and to its port for the ships by which the troops on the Atlantic slope are supplied. Assistant Quartermaster General Ingalls, brevet major general, in charge of this depot, acts also as chief quartermaster of the Department of the East, under orders of General McDowell, commanding department.

At Philadelphia the department owns storehouses in the Schuylkill arsenal, and the greater part of the clothing and equipage still in its possession, and not yet distributed, is there stored. Deputy Quartermaster General Van Vliet, in charge of this depot, acts also as chief quartermaster of the military division of the Atlantic, under orders of General Meade, commanding.

At Washington, which was the base of operations of the army of the Potomac, and of the armies before Richmond in the final campaign, and at which point the armies of the Potomac and of the southwest concentrated before returning to their homes, a very large depot grew up during the war. A considerable quantity of clothing and equipage still remains here for want of room to store it at the other depots. But the greater part of the material left here at the close of the war has been issued, sold, or transferred to other posts. The officer in charge of this depot, Deputy Quartermaster General McFerran, acts also as post quartermaster of the post of Washington. The buildings used as storehouses at this depot are the property of the government, situated on one of the public reservations. The former, Lincoln depot, in the eastern part of the city, has been broken up, and the buildings sold or removed.

At Jeffersonville, the depot of the western armies during the campaigns following the battle of Chattanooga, the department owns temporary storehouses, erected during the war upon rented land. An appropriation was granted by Congress for the erection of permanent storehouses at this point, but the reduction in the army, and the rapid absorption by sale and by issue of the material of war, having shown that it would not be necessary to keep up a permanent depot on the Ohio, the appropriation has been returned to the surplus fund, and not expended. There is still a large quantity of property at this depot requiring the attention of an officer, and a considerable number of men, but it is being reduced by transfer to local depots as fast as possible, and all the property which seems likely to remain unused for a long time, or which is in an unserviceable condition, is sold as fast as it can be overhauled and prepared for sale. In a few years this depot, also, can be broken up.

All the other depots are local, and under the command of the commanding generals of the divisions and departments, or districts to which they pertain, and in which they are situated.

Under General Order No. 97, headquarters of the army, of 1867, all contracts for supplies, &c., for the troops within any geographical command are made upon advertisement and proposals received by the chief quartermasters, and submitted by them to the commanding generals, upon whom rests the responsibility of making the award, as well as of

causing the public notice or advertisement to be made in accordance with law and regulations.

Thus, while the details of the business are conducted by the officers of this department, the final decision, on the information collected by the staff officer, is made by the commander. This process is in accordance with the law and with military rule, and works well. When larger quantities of supplies are needed, as for general depots, or contracts for transportation over routes affecting more than one general command, and of sufficient importance, the papers are transmitted to the Quartermaster General for his decision under the general supervision of the Secretary of War. But in time of peace the number of such general contracts is small. Most of the work of the department is done under the authority of the commanders, and all of it, in execution, has the benefit of their supervision and responsibility.

#### BARRACKS AND QUARTERS AND STOREHOUSES.

The army in its various uses occupies, as shown by reports on file in this office, five thousand one hundred and thirty-seven buildings, (5,137.) Many of them, probably most of them, are of very rude construction, hastily erected for temporary purposes during the war, or thrown up by labor of troops and workmen of the Quartermaster's Department, of the material at hand in the wilderness in which now the army is principally stationed. Many of these buildings are insufficient for the comfort and health of the troops, and as soon as a post is occupied with some promise of permanency, measures are taken to provide the troops with better shelter, and with the means of carrying out the benevolent provisions of the law for the establishment of schools, libraries, and places of public worship for themselves and families. It is found generally best to erect these buildings by contract.

The sale of three hundred and forty-six (346) buildings has been ordered during the year. Forty-eight (48) have been transferred to the Freedmen's Bureau, and others at appraised value.

The appropriation of one hundred and fifty thousand dollars (\$150,000) for erection of permanent storehouses at Jeffersonville depot has been returned to the surplus fund—the rapid consumption and sale of the material there stored showing that it will not be necessary very long to continue that depot. As the lease by which the United States originally held the land has expired, arrangements have been made to diminish the area rented to what is needed. The new lease is for one year, renewable yearly during the pleasure of the government. The construction of one hundred and four temporary buildings has been authorized or ordered during the year, as barracks, quarters, hospitals, stables, storehouses, guard-houses, &c., and the sum of four hundred and forty thousand two hundred and six dollars (\$440,206) has been expended thereon. They are distributed at the military posts in Arizona, California, Dakota, District of Columbia, Florida, Kansas, Louisiana, Massachusetts, Maryland, Michigan, Missouri, Nebraska, New Mexico, New York, North Carolina, Pennsylvania, Rhode Island, and Texas. The larger and more expensive portion of them are in Nebraska and Texas.

In repairs of public buildings there has been expended fifty-eight thousand eight hundred dollars, (\$58,800.)

Under the act of April 8, 1869, the Secretary of War was authorized to direct the necessary buildings at Fort Totten, on Devil's Lake, Dakota Territory, to be constructed of brick, and to accept those already

there, constructed of that material, provided that they will not be more expensive in that locality than wooden buildings, and provided that no special appropriation shall be needed therefor. Under this authority the buildings are being constructed of brick.

Of the sheltering fund of \$1,000,000, placed by order of the Secretary of War, of July 11, 1866, at the order of the lieutenant general commanding the Military Division of the Missouri, for the more prompt provision of shelter of troops then proceeding to take up position on the Great Plains and in the Rocky Mountains, a balance of \$81,325, reported on hand in the Department of Dakota, was devoted to these brick buildings at Fort Totten.

A new post for six companies of cavalry has been established during the fiscal year at the junction of Medicine Bluff and Cache Creek, Indian Territory, but this office has not received plans and estimates of the proposed and necessary buildings.

In order to correct and restrain the expenditure of money in buildings on the frontier, which experience had shown to be in some cases irregular and extravagant, General Order No. 95, headquarters of the army, series of 1868, promulgated in a condensed form the existing law and regulation in regard to the erection of public buildings, and called the attention of all officers to the necessity of economy and discretion in such erections. A copy of this order accompanies this report.

In the harbor of New York no building suitable for all storage purposes of the army could be found. A portion of the Continental Stores, Brooklyn, conveniently situated for its purposes, was leased for the use of the Ordnance Department in storing the obsolete and condemned ordnance and ordnance stores collected for sale under the order of Congress. As the expenses of this collection and sale are payable out of the proceeds of such ordnance and ordnance stores, the Ordnance Department has been directed by the Secretary of War to refund to this department all expenditures heretofore made for rent of this building.

The building rented in the city of New York at the corner of Houston and Greene Streets gives accommodation to all the branches of the service in that city, with manifest economy and dispatch in the transaction of the public business, and relieves officers visiting New York from much detention and delay unavoidable when the various offices were scattered about the town. Most of them were formerly on the battery, in a position to visit which, in the new arrangements for travel passing through that city, required the sacrifice of a whole day and its attendant expenses at a New York hotel. The present arrangements are satisfactory and economical. I do not recommend the purchase of this building. It would be difficult to secure cession of jurisdiction over it, and the expenses of repair, of taxes, and the interest on its cost, would probably equal, if not exceed, the present rental. Moreover, in the progress of population northwards, it is probable that in a few years it will be desirable to move all these military offices further up town.

In consequence of the accumulation of soil and of filth in the ditches of Fort Delaware, Delaware River, and Fort Pulaski, Savannah River, orders have been issued to excavate them.

The sites of the posts at Brownsville, on the Rio Grande, Texas, and at Point San José, harbor of San Francisco, California, being threatened by encroachments of the water, orders have been issued for their protection. The estimated reported expenditures for these objects are \$13,000.

## FORAGE AND STRAW.

The issues of forage and straw during the fiscal year, have been—

	Corn.	Barley.	Oats.	Hay.	Straw.
	<i>Bushels.</i>	<i>Bushels.</i>	<i>Bushels.</i>	<i>Tons.</i>	<i>Tons.</i>
Department of the Missouri .....	650,096		362,016	22,066	120
Department of the Platte .....	128,240		72,466	9,480	.....
Department of Dakota .....	14,400		38,956	2,544	156
Department of the Columbia .....		44,559	48,000	3,068	306
Department of California .....	141,600	118,924	29,712	8,400	528
Department of the East .....	6,840		66,240	1,560	624
Department of the Lakes .....			9,376	180	72
Department of the Cumberland .....	8,226		28,440	532	120
Department of the South .....	2,712		82,896	1,600	264
Department of Louisiana .....	6,096		46,584	1,224	168
Fourth Military District, (Miss.) .....	9,912		18,204	780	218
District of Arkansas .....	8,808		15,960	600	84
District of Texas .....	305,550		163,680	11,724	5
First Military District .....			29,712	816	240
Total issued.....	1,282,480	163,483	1,014,142	64,856	2,905

That is to say, about one and a quarter millions of bushels of corn ; one million bushels of oats ; one hundred and sixty thousand bushels of barley ; sixty-five thousand tons of hay, and three thousand tons of straw.

## CONTRACTS.

There have been received at this office during the fiscal year, 968 contracts, classified as follows :

For forage, viz : Corn to the amount of 771,290 bushels ; barley to the amount of 139,884 bushels ; oats to the amount of 843,633 bushels ; wheat to the amount of 14,133 bushels ; hay to the amount of 57,286 tons .....	372
To deliver forage in quantities as required from time to time, (the total quantities not specified) .....	47
For straw, to the amount of 1,997 tons .....	22
For straw, in quantities as required .....	2
For coal, to the amount of 22,740 tons .....	21
For coal, in quantities as required .....	7
For wood, to the amount of 95,920 cords .....	119
For wood, in quantities as required .....	59
For charcoal .....	21
For lumber, and other building material .....	86
For land transportation .....	64
For services, including charter of vessels .....	38
For leases .....	74
For stationery .....	5
For horses as follows, viz : 2,057 cavalry horses, 21 artillery horses, and 740 mules .....	31
Total .....	968

## ANIMALS—HORSES AND MULES.

There were in the military service on June 30, 1868, 14,483 horses; 17,866 mules, and 211 oxen. At the termination of the fiscal year, June 30, 1869, there were in service 9,584 horses, 18,005 mules, and 237 oxen.

There died during the year 2,508 horses, and 726 mules. There were sold 2,054 horses, 1,427 mules, and 11 oxen. There were lost or stolen 690 horses, and 210 mules. There were purchased 3,353 horses, and 2,502 mules.

The total expenditure for purchase of animals was \$766,195 10. The average price paid was, for horses, \$139 75; for mules, \$136 96.

The horses and mules sold produced \$223,338 25.

Of 14,836 horses in service during the year 2,508 died, and 2,054 were sold, and 690 were stolen or lost.

As nearly all those sold were sold as having become unfit for military service, the casualties or loss of horses in the military service would appear to be not less than thirty-three per cent. per annum.

Of 20,368 mules in service during the year, 2,363 were sold or lost or died. As a greater proportion of the mules sold were sold on breaking up of depots, and still in good condition, the casualties may be considered not to have exceeded eight or ten per cent.

## CLERKS.

The experience of the past year shows that the clerical force of this office has been reduced too low. The examination of officers' accounts and returns currently received has fallen into arrears, and there still remain a large number of accounts unsettled. The clothing and equipage returns accumulate, and the accounts of railroads for transportation are not settled as promptly as justice to the roads demands.

There should be an increase to the establishment of not less than seventeen clerks, and an appropriation should be granted for the employment for one year of thirty temporary clerks. These should all be clerks of some experience in order to be effective, and the classification recommended is as follows:

## Clerks, permanent:

Class one.....	8
Class two.....	7
Class three.....	2
	<hr/>
	17
	<hr/>

## Temporary clerks for one year:

Class one.....	18
Class two.....	8
Class three.....	3
Class four.....	1
	<hr/>
	30
	<hr/>

Without some such increase the business of the office must fall still more into arrears.



I forward herewith the reports of the three officers, Generals Ekin, Perry, and Dana, who have been on duty in charge of the several branches into which the business of this office now divides itself. To their intelligent and courteous co-operation I am much indebted.

The officers of the department, stationed all over the country of the United States, from Alaska to Florida, have distinguished themselves by the same industry and intelligent zeal which won them the approbation of the country during the war. Very few occasions for censure or correction have arisen, and the great reduction in the expenditures of the department within the past year has not been obtained without their zealous co-operation.

I annex to this report a tabular statement of their stations and duties during the past year, and also a statement of their stations on the 30th September last. Many other tables giving in detail what I have narrated above, also accompany the report.

To the clerks in this office, hard worked from the too great reduction of its clerical force, I am under obligations for faithful and intelligent assistance.

All of which is most respectfully submitted.

M. C. MEIGS,

*Quartermaster General, Brevet Major General U. S. A.*

The ADJUTANT GENERAL OF THE ARMY,  
*Washington, D. C.*

CEMETERIAL BRANCH, QUARTERMASTER GENERAL'S OFFICE,  
*Washington, D. C., October 14, 1869.*

GENERAL: I have the honor to state that in connection with my other duties I have, during the past fiscal year, continued in charge of the cemeterial branch of this office; and, in compliance with the instructions contained in a circular letter dated Quartermaster General's Office, June 15, 1869, I respectfully submit herewith my annual report of the cemeterial operations throughout the United States during the fiscal year ending June 30, 1869.

The work of collecting and reinterring the scattered remains of the deceased Union soldiers may now be considered as virtually completed. A few bodies not discovered in the first search for them may yet be found; but these will eventually be gathered up and removed to national cemeteries from the woods, fields, or other localities where they now lie, as fast as this department obtains reliable information of them.

The work of protecting and marking the graves, of inclosing the cemeteries, and of making the various interior improvements, has been continued and is now nearly finished; the work yet to be done on most of the national cemeteries consisting simply in keeping them in good order and repairing such damages as time and the elements and local circumstances may cause from time to time.

The tabular statement accompanying this report and marked A shows that reports have been received from seventy-two (72) national cemeteries and from three hundred and thirteen (313) local, private, or post cemeteries, in which are interred the remains of deceased Union soldiers.

The total number of bodies of deceased Union soldiers reported interred throughout the United States is three hundred and twenty-two thousand six hundred and seven, (322,607.)

It is reported that the remains of one hundred and seventy-one thousand, nine hundred and forty-eight (171,948) can be identified, while those of one hundred and fifty thousand six hundred and fifty-nine (150,659) must as yet remain unknown.

The number of bodies of deceased Union soldiers reported to have been reinterred up to date of report is two hundred and thirty-three thousand seven hundred and nine, (233,709,) and the number yet to be reinterred is estimated to be ten thousand seven hundred and fifty-three, (10,753.)

The estimated aggregate of expenditures made by the Quartermaster's Department on account of interments and other cemeterial operations up to June 30, 1868, was reported at two millions eight hundred and one thousand three hundred and fifty-two dollars and forty-nine cents, (\$2,801,352 49.)

During the past fiscal year the expenditures reported on that account amounted to four hundred and sixty-five thousand and seventeen dollars and fifty cents, (\$465,017 50)

It is estimated that two hundred and twenty-six thousand nine hundred and twenty-five dollars and forty-one cents (\$226,925 41) are yet needed for various purposes connected with the national cemeteries and operations thereon.

The aggregate amount of expenditures, past and future, on national cemeteries, will thus appear to be three millions four hundred and ninety-three thousand two hundred and ninety-five dollars and forty cents, (\$3,493,295 40.)

It is also reported that the remains of twenty-one thousand three hundred and eleven, (21,311) rebel prisoners of war have been interred by this department at various places throughout the North, more especially at the large prison camps established there during the war.

The number of national cemeteries to which the Quartermaster General, under the provisions of the acts of Congress of April 13, 1866, July 28, 1866, and February 22, 1867, has procured titles that have been pronounced good and valid by the honorable Attorney General of the United States, has been increased to seventy-one, (71,) as specified in the accompanying statement marked B.

During the past fiscal year the question arose of the necessity of procuring consent of the respective legislatures of the various States wherein the national cemeteries are established, and cession of jurisdiction to the United States by them, prior to purchasing the land whereon the cemeteries had already been located, and prior to paying to the former owners the purchase money as agreed upon or decreed by a court vested with the requisite authority under the act of February 22, 1867. The matter was submitted to the honorable Secretary of War on the 13th of May, 1869, with the request that it be referred to the honorable Attorney General of the United States for his advice, attention being invited to certain provisions in the Constitution of the United States and in former acts placed upon the statute books, apparently inconsistent with those of the act referred to above.

On the 29th of July, 1869, the honorable Attorney General returned the papers in the case; giving it as his opinion that "the act provides for taking and holding the national cemeteries without the consent of the owner," and he does not "suppose that it was the intention of Congress that the owner should be deprived of his land without compensation, because the consent of the legislature of the State might not be given to the appropriation of the land to public use by the national

authority." He further advises that the consent and cession of jurisdiction be requested of the respective State legislatures as soon as practicable, the procurement of which would make the act of February 22, 1867, operative.

Copies of all the papers in the case are respectfully inclosed herewith, marked D.

Wherever strictly required permanent iron fences or stone walls and brick or stone lodges have been erected or completed within the past fiscal year, while it was considered most economical and advisable not to disturb the temporary wooden fences or lodges until they should decay, and thus require new ones to be constructed of a more permanent material.

The question of the material to be employed for the permanent head-blocks required by law to be placed at the head of each grave is not as yet decided upon; no directions having been furnished this office from the War Department in reply to various reports of the Quartermaster General on that subject prior to the past fiscal year.

The guns referred to in the report of last year, designed to be set up in the form of a monument, have been furnished to the principal national cemeteries during the past fiscal year, and have been erected in appropriate places therein.

Much attention has been paid to the proper drainage of the cemeteries and the best method therefor. Stone or brick drains, culverts, and gutters are expensive, and in some localities, owing to the nature of the soil and the topographical features of the surface, have proved difficult to keep in order. In view of these facts it has been decided to adopt in all cases, where the conditions of soil and surface permit, a system of grassed gutters. These are comparatively inexpensive, and, it is believed, will, when properly located, answer well the purpose for which they are intended; moreover they can be kept in order with very little labor expended on them.

At Vicksburg, Mississippi, it was deemed most practicable by the officer in charge of laying out the national cemetery at that place to build a number of terraces and to make the interments therein. It was drained in the usual manner by brick gutters and culverts; this method of drainage was, however, afterward found to be impracticable, not being sufficient to carry off the water falling on or near these terraces, and caused land slips in the made ground of which these works were constructed; thus doing great damage and injury to the cemetery.

The Quartermaster General, therefore, in February last, directed an experienced civil engineer to proceed to that cemetery for the purpose of protecting the grounds and securing a perfect drainage. He is now engaged on this work, re-grading the grounds, laying tiles, and constructing such other works as will insure this cemetery from further damage by the seasons.

Prior to July 1, 1869, fifteen volumes of the "Roll of Honor" had been published, containing the record of one hundred and thirty-seven thousand eight hundred and ninety-five (137,895) graves of deceased soldiers.

During the past fiscal year six more volumes have been added, containing the record of one hundred and seventeen thousand seven hundred and seventy (117,770) graves. Three volumes containing the record of fifty-one thousand five hundred and thirty-five (51,535) graves have also been prepared, and are now in the hands of the Public Printer for publication.

This department has thus prepared up to the end of the past fiscal year the record of three hundred and seven thousand and two hundred (307,200) graves for entry upon the "Roll of Honor," and it is thought that probably three volumes more will complete the work.

Prior to July 1, 1869, three volumes of "Statements of the final disposition of bodies of Union soldiers that have been removed to some of the national cemeteries in the South and West," embracing information concerning one hundred and forty thousand and one hundred (140,100) graves, were published by this office. During the past fiscal year one volume was added to these, containing information about sixty-three thousand and nine hundred (63,900) graves. There have thus been four volumes of these "statements" published so far, embracing information of two hundred and four thousand (204,000) graves.

One copy of the burial register is kept at each cemetery, as required by law, and iron chests, from surplus stock turned in after the war, have been furnished to the superintendents of the larger national cemeteries for the safe preservation of these records.

Up to June 30, 1869, warrants have been issued by the honorable Secretary of War to ninety-two (92) superintendents of national cemeteries; of which number, five (5) declined the appointment; one (1) did not report to the Quartermaster General; ten (10) have since resigned or been honorably discharged; two (2) have since died, and eleven (11) have been dismissed by orders of the War Department, while sixty-three (63) still remain in service in charge of national cemeteries.

A descriptive record containing the prior military history of the superintendents, and remarks of the officers under whose charge they have been placed, relative to their sobriety, general education, industry and moral habits, &c., is kept at this office.

The estimate for national cemeteries for the fiscal year ending June 30, 1871, for the payment for land purchased or appropriated therefor; for the erection of permanent fences, lodges, and headblocks; for the disinterment and removal of bodies of deceased Union soldiers; and for other incidental expenses connected with the keeping and protecting of national cemeteries by the Quartermaster's Department, has been placed at five hundred thousand dollars, (\$500,000.)

A question arose during the past fiscal year as to the right of burial in national cemeteries of the remains of citizens who had served in the Union army during the war of the rebellion, but who had deceased subsequent to the war, and after their being mustered out of the army. The Quartermaster General, in his report of April 14, 1869, to the War Department relative to this subject, cited, in opposition to such claim of right of burial for all times to come, of persons who had served in the Union army, the act of April 13, 1866, providing for the preservation of the graves of "the soldiers of the United States who fell in battle, or died of disease in the field and in hospitals during the war of the rebellion," &c. Moreover, it was deemed impracticable to provide suitable burial places throughout the country for the many hundreds of thousands that might avail themselves of such right were it found to exist. The question was then referred to the Judge Advocate General of the army, who, in his report of April 26, 1869, concurred in the opinion of the Quartermaster General, that "ex-soldiers are not entitled to burial in national cemeteries." That report was approved by the honorable Secretary of War on April 30, 1869.

A copy of the whole correspondence in the matter is respectfully inclosed herewith, marked E.

Accompanying this report is also a tabular statement showing some of the permanent improvements established at various national cemeteries throughout the United States, (marked C;) a tabular statement showing the contents of the various volumes of the "Roll of Honor," and of "Statements of final disposition of bodies," &c., (marked F;) and a package containing the annual reports of the officers in charge of the national cemeteries, (marked G.)

Respectfully submitted.

ALEX. J. PERRY,

*Bvt. Brig. Gen'l and Quartermaster, U. S. Army.*

Brevet Major General M. C. MEIGS,

*Quartermaster General, Washington, D. C.*

A.—*Tabular statement showing the cemeteries in the United States in which the remains of Union soldiers are interred, the number identified, reinterred and to be reinterred hereafter in each, the expenditures made thereon during the fiscal year ending June 30, 1869, and required hereafter.*

Running number.	Name and location of national cemeteries and places of burial of Union soldiers.	Number of national cemeteries at each place.	Number of bodies of Union soldiers now interred in each national cemetery.	Number of bodies of Union soldiers finally expected to be in each national cemetery.	Number of cemeteries other than national.	Number of bodies of Union soldiers now in cemeteries other than national.	Number of bodies not yet interred in cemeteries.	Total number of bodies of Union soldiers in department, (district, division, &c.)	Number of bodies of Union soldiers which can be identified.	Number of bodies of Union soldiers which cannot be identified.	Total number of bodies of rebel prisoners of war in department, (district, division, &c.)	Number of bodies reinterred up to June 30, 1869.	Number of bodies proposed to be reinterred hereafter.	Total number of bodies which will have been reinterred in all.	Aggregate of expenditures during the past fiscal year.	Estimate of expenditures for next fiscal year, ending June 30, 1870.
<b>I.—MILITARY DIVISION OF THE ATLANTIC.</b>																
<b>1. DEPARTMENT OF THE EAST.</b>																
<b>a. First Quartermaster's District.</b>																
1	Glenwood Cemetery, Philadelphia, Pa.	1	692	Unkn'n	1	692	Unkn'n	692	611	51	9	339		50		\$934 50
2	Lebanon Cemetery, Philadelphia, Pa.	1	339	do	1	339	do	339	339					50	\$19 0	678 00
3	Mt. Moriah Cemetery, (cold.) Philadelphia, Pa.	1	444	do	1	444	do	444	444		6	50				450 00
4	Odd Fellows' Cemetery, Philadelphia, Pa.	1	263	do	1	263	do	263	245	17	14				58 00	123 00
5	Woodland Cemetery, Philadelphia, Pa.	1	116	do	1	116	do	116	104	12						500 30
6	Cemetery at Scranton, Luzerne County, Pa.	1	6	do	1	6	do	6	6							3 00
7	Prospect Hill Cemetery, York, Pa.	1	163	do	1	163	do	163	161	2						975 80
8	St. James Episcopal Ch. Cemetery, Bristol, Pa.	1	18	do	1	18	do	18	17	1						45 00
9	Rural Cemetery, Chester, Pa.	1	55	do	1	55	do	55	52	3	169	40			122 50	308 40
10	St. Michael's Cemetery, Chester, Pa.	1	3	do	1	3	do	3	3							55 00
11	Odd Fellows' Cemetery, Tamaqua, Schuylkill County, Pa.	1	6	do	1	6	do	6	6							4 00
12	German Reformed and Lutheran Cemetery, Tamaqua, Schuylkill County, Pa.	1	4	do	1	4	do	4	4							7 00
13	Springfield Cemetery, Shippensburg, Cumberland County, Pa.	1	14	do	1	14	do	14	14							1 50
14	Lutheran Cemetery, Shippensburg, Cumberland County, Pa.	1	3	do	1	3	do	3	3							1 50
15	Cemetery two miles from Shippensburg, Cumberland County, Pa.	1	3	do	1	3	do	3	3							5 00
16	Easton Cemetery, Easton, Northampton County, Pa.	1	27	do	1	27	do	27	27							
17	Arndt's Cemetery, Easton, Northampton County, Pa.	1	6	do	1	6	do	6	6							
18	Hayes' Cemetery, Easton, Northampton County, Pa.	1	4	do	1	4	do	4	4							
19	First Presbyterian Cemetery, Easton, Northampton County, Pa.	1	2	do	1	2	do	2	2							

[illegible]

A.—Tabular statement showing the cemeteries in the United States in which the remains of Union soldiers are interred, &amp;c.—Continued.

Running number.	Name and location of national cemeteries and places of burial of Union soldiers.	Number of national cemeteries at each place.	Number of bodies of Union soldiers now interred in each national cemetery.	Number of cemeteries other than national.	Number of bodies of Union soldiers now in cemeteries other than national.	Number of bodies not yet interred in cemeteries.	Total number of bodies of Union soldiers in department, (district, division, &c.)	Number of bodies of Union soldiers which can be identified.	Number of bodies of Union soldiers which cannot be identified.	Total number of bodies of rebel prisoners of war in department, (district, division, &c.)	Number of bodies reinterrred up to June 30, 1869.	Number of bodies reinterrred after.	Total number of bodies reinterrred in all.	Aggregate of expenditures during the past fiscal year.	Estimate of expenditures for next fiscal year, ending June 30, 1870.
<i>b. Second Quartermaster's District.</i>															
50	Newport M. E. Church Cemetery, near Wilmington, Del.			1	1	Unk'n	1	1							\$4 50
51	St. James Episcopal Church Cemetery, near Wilmington, Del.			1	6	do	6	6							2 50
52	Presbyterian Church Cemetery, near Wilmington, Del.			1	2	do	2	2							1 25
53	Friends' Cemetery, Stanton, near Wilmington, Del.			1	1	do	1	1							
<i>b. Second Quartermaster's District.</i>															
54	Evergreen Cemetery, New Haven, Conn.			1	100	do	100	100			8		8	\$114 00	460 00
55	Catholic Cemetery, New Haven, Conn.			1	8	do	8	8							1,358 00
56	Fort Schuyler, New York Harbor.			1	3	do	3	3							2,004 30
57	Fort Hamilton, New York Harbor.			1	153	do	135	36	99	1			7	78 38	1,280 40
58	Willett's Point, New York Harbor.			1	7	do	7	3	4						1,831 00
59	Sandy Hook, New York Harbor.			1	7	do	7	5	2						1,068 00
60	David's Island, New York Harbor.			1	29	do	29	18	11	2	1		37	25 00	1,067 50
61	Woodlawn Cemetery, Elmira, N. Y.			1	119	do	119	119							2,434 38
62	Beechwood Cemetery, Elmira, N. Y.			1	33	do	33	32	1						1,067 50
63	Rural Cemetery, Albany, N. Y.			1	136	do	126	125	1	2	2		2		2,944 77
64	Oakwood Cemetery, Lewisburg, N. Y.			1	19	do	19	19							7,500 00
65	Cypress Hills Cemetery, Long Island, N. Y.			1	3,169	do	3,169	3,097	72	461	350		350	2,944 77	7,765 78
66	Fort Columbus, New York Harbor.			1	135	do	129	129	31	37					1,317 50
67	Fairmount Cemetery, Newark, N. J.			1	129	do	129	129							39 00
68	Fort Adams, R. I.			1	38	do	38	12	26						150 00
69	Fort Trumbull, Conn.			1	13	do	13	13							
70	Fort Wadsworth, New York Harbor.			1	2	do	2	2							
71	Plattsburg Barracks, N. Y.			1	100	do	100	5	95						
<i>c. Third Quartermaster's District.</i>															
72	Rural Cemetery, Worcester, Mass.			1	22	do	22	22			21		21		
73	Pine Cemetery, Worcester, Mass.			1	1	do	1	1							
74	St. John's Cemetery, Worcester, Mass.			1	19	do	19	19			18		18		



[illegible]

A.—Tabular statement showing the cemeteries in the United States in which the remains of Union soldiers are interred, &amp;c.—Continued.

Running numbers.	Name and location of national cemeteries and places of burial of Union soldiers.	Number of national cemeteries at each place.	Number of bodies of Union soldiers now interred in each national cemetery.	Number of bodies of Union soldiers finally expected to be in each national cemetery.	Number of cemeteries other than national.	Number of bodies of Union soldiers now in cemeteries other than national.	Number of bodies not yet interred in cemeteries.	Total number of bodies of Union soldiers in department, (district, division, &c.)	Number of bodies of Union soldiers which can be identified.	Number of bodies of Union soldiers which cannot be identified.	Total number of bodies of rebel prisoners of war in vision, &c.)	Number of bodies reinterred up to June 30, 1870.	Number of bodies proposed to be reinterred hereafter.	Total number of bodies reinterred, in all.	Aggregate of expenditures during the past fiscal year.	Estimate of expenditures for next fiscal year, ending June 30, 1870.
118	Annapolis Cemetery, Md.	1	2,486	2,486				2,486	2,486	104		2,486		2,486	\$2,866 10	\$697 50
119	Grafton Cemetery, W. Va.	1	1,254	1,254				1,254	633	621		1,254		1,254	54,062 49	1,272 00
120	Ball's Bluff Cemetery, Va.	1	54	54				54	54	53		54		54	130 00	250 00
121	London Park Cemetery, Md.	1	1,463	1,463				1,463	1,463	83	138	1,601		1,601		300 00
122	Laurel Cemetery, Md.	1	229	229				229	229	229		229		229		
123	Point Lookout Cemetery, Md.	1			1						2,139					
	Total in the district of Washington.....	9	30,324	30,324	1			30,324	24,929	5,395	2,797	30,872		30,872	49,325 46	11,175 25
3. DEPARTMENT OF THE LAKES.																
124	Monroe City Cemetery, Illinois.	1	4,808	4,808				4,808	2,471	2,337	41	3,319		3,319	\$3,003 73	\$500 00
125	Crown Hill Cemetery, Indianapolis, Ind.	1	708	708				708	708			708		708	155 00	
126	Greenlawn Cemetery, Indianapolis, Ind.				1				135	135	1,556					
127	Rock Island Cemetery, Ill.	1	135	135	1			135	135	105	643	217		217	1,935 67	100 00
128	Camp Butler Cemetery, Ill.	1	714	714				714	549	165						9,895 00
129	Rose Hill Cemetery, Chicago, Ill.	1			1			317	255	62						
130	Oakwood Cemetery, Chicago, Ill.										4,039	3,384		3,384		
131	Spring Grove Cemetery, Cincinnati, Ohio.				1			993	972	21					1,254 95	
132	Oak Hill Cemetery, Evansville, Ind.				1			596	591	5			116	116		700 00
133	Green Lawn Cemetery, Columbus, Ohio.				1			492	449	43			40	40	296 30	
134	Camp Chase Cemetery, Ohio.				1			158	84	74			81	81	392 55	
135	Gallipolis Cemetery, Ohio.				1				39	27						
136	Woodland Cemetery, Cleveland, Ohio.				1			62	62	3						
137	Elmwood Cemetery, Detroit, Mich.				1			29	29	26						
138	Jackson City Cemetery, Mich.				1			11	11	1						
139	Oakwood Cemetery, Sandusky, Ohio.				1						206			27	121 12	
140	Johnson's Island, Ohio.				1											
141	Oak Hill Cemetery, Grand Rapids, Mich.				1			61	35	26						150 00
142	Oak Hill Cemetery, Janesville, Wis.				1			13	13							
143	Mound Cemetery, Racine, Wis.				1			40	39	1						140 25
144	Kenosha City Cemetery, Wis.				1			3	3							
145	Forest Home Cemetery, Milwaukee, Wis.				1			59	59							225 00
146	Fort Crawford Cemetery, Prairie du Chien, Wis.				1			17	17							

147	Green Bay City Cemetery, Wis.	1	3	7	3	7	150 00
148	Oaktoah City Cemetery, Wis.	1	7	7	1	1	
149	Rienzi Cemetery, Fond du Lac, Wis.	1	1	12	12	12	
150	Joliet City Cemetery	1	2	2	2	2	
151	Dundee Cemetery, Ill.	1	10	10	10	10	
152	Elgin Cemetery, Ill.	1	15	15	15	15	
153	Rockford Cemetery, Ill.	2	17	17	17	17	
154	St. Charles Cemetery, Ill.	1	12	12	12	12	
155	Dixon Cemetery, Ill.	1	16	16	16	16	
156	Woodland Cemetery, Quincy, Ill.	1	242	242	6	6	
157	Alton Cemetery, Ill.	1	161	161	13	13	
158	Fort Wayne Cemetery, Mich.	1	23	23	21	21	
159	Ripon City Cemetery, Wis.	1	9	9	9	9	
160	Linwood Cemetery, Fort Wayne, Ind.	1	17	17	17	17	
161	Ohio Township Cemetery, Bartholomew County, Ind.	1	1	1	1	1	
162	Thornton Cemetery, Ind.	1	19	19	1	1	
163	Sugar Ridge Township Cemetery, Ind.	1	2	2	2	2	
164	Perry Township Cemetery, Clay County, Ind.	1	1	1	1	1	
165	Center Point Cemetery, Ind.	1	4	4	4	4	
166	Crawford County Cemetery, Ind.	1	6	6	6	6	
167	Miller Township Cemetery, Dearborn County, Ind.	1	3	3	3	3	
168	Caesar Creek Township Cemetery, Dearborn County, Ind.	1	2	2	2	2	
169	Harrison Township Cemetery, Dearborn County, Ind.	1	4	4	4	4	
170	Logan Township Cemetery, Dearborn County, Ind.	1	1	1	1	1	
171	Decatur City Cemetery, Ind.	1	8	8	8	8	
172	Methodist Cemetery, Decatur, Ind.	1	4	4	4	4	
173	DeKalb County Cemetery, Ind.	1	6	6	6	6	
174	Cemetery near Spencerville, Ind.	1	1	1	1	1	
175	Fountain County Cemetery, Ind.	1	4	4	4	4	
176	Portland County Cemetery, Ind.	1	1	1	1	1	
177	Ebenezer Chapel Cemetery, Bloomington Township, Ind.	1	1	1	1	1	
178	Pepperton Cemetery, Franklin County, Ind.	1	1	1	1	1	
179	Cemetery near Metamora, Franklin County, Ind.	1	1	1	1	1	
180	Cemetery near Trenton, Franklin County, Ind.	1	2	2	2	2	
181	Lebanon Cemetery, Green County, Ind.	1	3	3	3	3	
182	Shiloh Cemetery, Clay County, Ind.	1	1	1	1	1	
183	Bluesee's Burial Ground, Green County, Ind.	1	1	1	1	1	
184	Hanoh's Burial Ground, Green County, Ind.	1	1	1	1	1	
185	Green County Cemetery, Ind.	1	1	1	1	1	
186	Ellensworth's Burial Ground, Green County, Ind.	1	1	1	1	1	
187	Friendly Grove Cemetery, Clay County, Ind.	1	1	1	1	1	
188	Near Bradford, Harrison County, Ind.	1	2	2	2	2	
189	Harrison County Cemetery, Ind.	1	1	1	1	1	



933	Cadla, Parks County, Ind.....																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
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A.—Tabular statement showing the cemeteries in the United States in which the remains of Union soldiers are interred, &amp;c.—Continued.

Running number.	Name and location of national cemeteries and places of burial of Union soldiers.	Number of national cemeteries at each place.	Number of bodies of Union soldiers now interred in each national cemetery.	Number of bodies of Union soldiers finally expected to be in each national cemetery.	Number of cemeteries other than national.	Number of bodies of Union soldiers now in cemeteries other than national.	Number of bodies not yet interred in cemeteries.	Total number of bodies of Union soldiers in department, (district, division, &c.)	Number of bodies of Union soldiers which can be identified.	Number of bodies of Union soldiers which cannot be identified.	Total number of bodies of rebel prisoners of war in department, (district, division, &c.)	Number of bodies reinterring up to June 30, 1899.	Number of bodies proposed to be reinterring hereafter.	Total number of bodies interred in all.	Aggregate of expenditures during the past fiscal year.	Estimate of expenditures for next fiscal year, ending June 30, 1870.
267	Antietam Cemetery, Md.....	1	4,695	4,695	.....	.....	.....	4,695	1,792	2,903	.....	4,695	.....	4,695	.....	.....
RECAPITULATION.																
1	Department of the East.....	1	2,169	2,169	112	4,878	.....	8,047	6,994	1,053	5,337	999	129	1,048	\$7,958 91	\$62,981 71
2	District of Washington.....	9	30,324	30,324	.....	.....	.....	30,324	24,929	5,395	2,797	30,872	.....	30,872	3,325 46	11,175 95
3	Department of the Lakes.....	4	6,363	6,363	136	3,739	116	10,134	7,345	2,789	10,944	7,069	183	7,252	7,149 22	3,160 55
4	First military district.....	14	53,369	53,369	.....	.....	.....	53,369	19,777	33,492	.....	53,369	.....	53,369	63,301 60	10,560 00
5	Gettysburg and Antietam National Cemeteries.	2	6,359	6,359	.....	.....	.....	6,359	4,362	3,897	.....	6,359	.....	6,359	.....	.....
Total in military division of the Atlantic...		30	101,296	101,296	238	8,637	116	109,933	63,377	46,556	12,678	101,018	322	101,340	132,734 49	89,717 21
II. MILITARY DIVISION OF THE SOUTH.																
1. DEPARTMENT OF THE SOUTH.																
268	Andersonville Cemetery, Ga.....	1	13,716	13,716	.....	.....	.....	13,716	12,812	904	.....	868	.....	868	\$2,596 73	\$240 00
269	Marietta Cemetery, Ga.....	1	10,037	10,037	.....	.....	.....	10,037	7,018	3,035	.....	10,037	.....	10,037	10,301 41	3,950 00
270	Beaufort Cemetery, S. C.....	1	9,071	9,071	.....	.....	.....	9,071	5,404	3,667	196	9,071	.....	9,071	3,592 12	1,500 00
271	Florence Cemetery, S. C.....	1	2,765	2,765	.....	.....	.....	2,765	31	771	.....	2,765	.....	2,765	2,710 00	750 00
272	Magnolia Cemetery, Charleston, S. C.....	1	109	109	1	109	.....	109	97	12	.....	109	.....	109	.....	.....
273	Elmwood Cemetery, Columbia, S. C.....	1	33	33	1	33	.....	33	15	8	.....	33	.....	33	.....	.....
274	Mobile Cemetery, Ala.....	1	638	638	.....	.....	.....	638	584	347	.....	638	.....	638	2,704 34	500 00
275	Cemetery for Confederate dead, Mobile, Ala.....	1	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
276	Newbern Cemetery, N. C.....	1	3,246	3,246	1	5	.....	3,246	2,183	1,063	.....	.....	.....	.....	1,719 10	600 00
277	Wilmington Cemetery, N. C.....	1	2,060	2,060	.....	.....	.....	2,060	699	1,361	.....	.....	.....	.....	1,01 06	300 00
278	Raleigh Cemetery, N. C.....	1	1,152	1,152	.....	.....	.....	1,152	692	507	.....	.....	.....	.....	1,015 50	1,000 00
279	Salisbury Cemetery, N. C.....	1	12,112	12,112	.....	.....	.....	12,112	85	12,027	.....	.....	.....	.....	3,038 00	1,000 00
280	Barrancas Cemetery, Fla.....	1	1,353	1,353	.....	.....	.....	1,663	1,000	663	.....	.....	.....	.....	7,881 00	5,000 00
Total in department of the South.....		10	56,410	56,413	3	137	403	56,850	30,505	26,345	196	52,629	403	53,725	35,662 16	13,240 00
2. DEPARTMENT OF LOUISIANA.																
281	Chalmette Cemetery, New Orleans, La.....	1	12,242	12,242	.....	.....	.....	12,242	6,679	5,563	.....	.....	.....	.....	8,929	\$18,128 60
															8,929	

[illegible]





338	Fort Lyon, C. T.	1	11	150	161	31	150	18	150	168	108 00	1,900 00
339	Fort Wingate, N. M.	1	18	54	72	2	70	.....	18	18	48 00	150 00
340	Fort Garland, C. T.	1	5	35	60	1	88	.....	.....	.....	340 00	50 00
341	Fort McRae, N. M.	1	19	41	60	10	50	.....	.....	.....	320 00	50 00
342	Fort Seiden, N. M.	1	16	66	62	5	77	.....	10	10	654 43	50 00
343	Fort Sumner, N. M.	1	20	180	300	90	180	.....	.....	.....	.....	900 00
344	Fort Stanton, N. M.	1	31	69	100	15	85	.....	.....	.....	152 00	100 00
345	Fort Bascom, N. M.	1	17	35	72	14	58	.....	.....	.....	.....	300 00
346	Fort Bayard, N. M.	1	4	56	60	4	86	.....	.....	.....	.....	10 00
347	Fort Lowell, N. M.	1	39	60	60	1	250	.....	.....	.....	.....	50 00
348	Fort Union, N. M.	1	50	250	300	50	300	.....	.....	.....	.....	50 00
349	Fort Craig, N. M.	1	145	105	350	163	87	.....	.....	.....	480 00	50 00
350	Fort Cummings, N. M.	1	17	63	80	35	45	.....	.....	.....	340 00	50 00
351	Santa Fe, N. M.	1	286	46	312	.....	312	.....	.....	.....	450 00	50 00
352	Fort Fillmore, N. M.	1	93	2	95	1	94	.....	.....	.....	575 00	45 00
353	Los Pinos, N. M.	1	19	.....	19	18	1	.....	.....	.....	.....	45 00
354	Los Limas, N. M.	1	3	.....	3	3	.....	.....	.....	.....	.....	45 00
355	Albuquerque, N. M.	1	7	.....	3	7	.....	.....	.....	.....	.....	45 00
356	Fort Gibson, Indian Territory	1	7	.....	.....	149	1,968	.....	.....	.....	.....	.....
	Total in department of Missouri	38	2,168	17,885	9,649	8,236	2,401	8,922	578	9,900	40,744 99	18,139 90
2. DEPARTMENT OF THE PLATTE.												
357	Fort Kearney, Neb.	1	251	.....	251	32	219	.....	.....	.....	.....	\$1,000 00
358	Fort McPherson, Neb.	1	83	.....	83	39	44	.....	.....	.....	.....	.....
359	Fort Sedgwick, C. T.	1	66	.....	66	37	29	.....	.....	.....	.....	.....
360	Fort Morgan, C. T.	1	10	.....	10	3	7	.....	.....	.....	.....	.....
361	Fort D. A. Russell, Wy. T.	1	21	.....	21	16	5	.....	.....	.....	.....	.....
362	Fort Sanders, Wy. T.	1	29	.....	29	20	.....	.....	.....	.....	.....	510 00
363	Fort Bridger, Wy. T.	1	18	.....	18	18	.....	.....	.....	.....	.....	600 00
364	Fort Fred. Steele, Wy. T.	1	2	.....	2	2	.....	.....	.....	.....	.....	.....
365	Fort Laramie, Wy. T.	2	156	.....	156	29	137	.....	.....	.....	.....	675 00
366	Fort Fetterman, Wy. T.	1	6	.....	6	6	.....	.....	.....	.....	.....	.....
367	Fort Reno, Wy. T.	1	31	.....	31	28	3	.....	.....	.....	.....	.....
368	Fort Phil. Kearney, Wy. T.	1	109	.....	109	97	13	.....	.....	.....	.....	1,700 00
369	Camp Douglas, U. T.	1	64	.....	64	63	.....	.....	.....	.....	.....	.....
370	Keokuk, Iowa	1	627	.....	627	600	87	.....	.....	.....	.....	.....
371	Sioux City, Iowa	1	5	.....	5	5	.....	.....	.....	.....	.....	.....
	Total in department of the Platte	16	1,478	1,478	1,004	474	.....	.....	.....	.....	.....	.....
3. DEPARTMENT OF DAKOTA.												
372	Fort Snelling, Minn.	1	110	.....	110	41	69	.....	.....	.....	.....	.....
373	Fort Ripley, Minn.	1	30	.....	30	18	13	.....	.....	.....	.....	.....
374	Fort Wadsworth, D. T.	1	53	.....	23	18	5	.....	.....	.....	.....	.....
	Total in department of Dakota	3	163	.....	163	77	86	.....	.....	.....	.....	.....

(\*) No report received.

A.—Tabular statement showing the cemeteries in the United States in which the remains of Union soldiers are interred, &amp;c.—Continued.

Running number.	Name and location of national cemeteries and places of burial of Union soldiers.	Number of national cemeteries at each place.	Number of bodies of Union soldiers now interred in each national cemetery.	Number of bodies of Union soldiers finally expected to be in each national cemetery.	Number of cemeteries other than national.	Number of bodies of Union soldiers now in cemeteries other than national.	Number of bodies not yet interred in cemeteries.	Total number of bodies of Union soldiers in department, (district, division, &c.)	Number of bodies of Union soldiers which can be identified.	Number of bodies of Union soldiers which cannot be identified.	Total number of bodies of rebel prisoners of war in department, (district, division, &c.)	Number of bodies reinterred up to June 30, 1869.	Number of bodies proposed to be reinterred hereafter.	Total number of bodies interred in all.	Aggregate of expenditures during the past fiscal year.	Estimate of expenditures for next fiscal year, ending June 30, 1870.
RECAPITULATION.																
1	Department of the Missouri	6	14,383	14,383	38	2,198	1,334	17,985	9,649	8,296	2,401	8,922	278	9,200	\$40,744 99	\$12,139 80
2	Department of the Platte				16	1,478		1,478		474		57	15	72	33 00	4,485 00
3	Department of Dakota				3	163		163	77	86			23	23		
	Total in military division of the Missouri	6	14,383	14,383	57	3,779	1,334	19,536	10,720	8,796	2,401	8,979	316	9,295	40,777 99	22,024 20
V. MILITARY DIVISION OF THE PACIFIC.																
1. DEPARTMENT OF CALIFORNIA.†																
2. DEPARTMENT OF COLUMBIA.†																
3. DEPARTMENT OF ALASKA.																
375	Sitka, A. T.				1	0		0	0							
376	Tongass, A. T.				1	1		1	1							
377	Wrangell, A. T.				1	1		2	2							
378	Kodiak, A. T.				1	5		5	5							
379	Kenai, A. T.				1											
	Total in department of Alaska				5	16		16	16							
RECAPITULATION.																
1	Department of California															
2	Department of Columbia				5	16		16	16							
3	Department of Alaska															
	Total in the military division of the Pacific				5	16		16	16							

† No reports have been received from these departments, there being no national cemeteries within them.

## GRAND RECAPITULATION.

Running number.	Military divisions and districts.	Number of national cemeteries.	Number of bodies of Union soldiers interred in national cemeteries.	Number of bodies of Union soldiers expected finally to be in national cemeteries.	Number of cemeteries other than national.	Number of bodies of Union soldiers now in cemeteries other than national.	Number of bodies not yet interred in cemeteries.	Total number of bodies of Union soldiers in division or district.	Number of bodies of Union soldiers which can be identified.	Number of bodies of Union soldiers which cannot be identified.	Total number of bodies of rebel prisoners of war in division or district.	Number of bodies reinterred up to June 30, 1869.	Number of bodies proposed to be reinterred hereafter.	Total number of bodies reinterred in all.	Aggregate of expenditures during the past fiscal year.	Estimate of expenditures for next fiscal year, ending June 30, 1870.	Total aggregate of expenditures, past and future.
I.	Military division of the Atlantic....	30	101,296	101,296	258	8,637	116	109,933	63,377	46,556	18,678	109,018	322	101,340	\$132,734 00	\$89,717 21	.....
II.	Military division of the South....	34	180,986	180,622	7	932	1,488	190,114	96,086	94,018	232	122,118	9,536	131,654	265,166 63	109,104 00	.....
III.	Fifth military district.....	2	2,672	2,859	6	339	346	3,018	1,729	1,289	.....	2,394	346	2,940	26,338 88	5,480 00	.....
IV.	Military division of the Missouri....	6	14,383	14,383	57	3,779	1,344	19,526	10,730	8,796	9,401	8,979	316	9,295	40,777 99	22,624 30	.....
V.	Military division of the Pacific....	.....	.....	.....	5	16	.....	16	16	.....	.....	.....	.....	.....	.....	.....	.....
	Total in the United States ..	72	596,437	598,260	313	13,703	3,294	622,697	171,948	150,659	21,311	233,709	10,620	245,229	465,017 50	226,925 41	\$3,453,295 40

Respectfully submitted.

ALEX. J. PERRY,  
*Brevet Brigadier General and Quartermaster U. S. A.*

QUARTERMASTER GENERAL'S OFFICE, October 14, 1869.

B.—*Tabular record of titles to land occupied by the United States for national cemeteries.*

Running No.	Name of cemetery.	Name of prior owner.	Name of present owner.	Date of deed to United States.	Number of acres.	Remarks.
1	Green Mount, Vt.	Town of Montpelier, Vt.	United States.	March 28, 1866	Lot 324.	Donated.
2	Beverly, N. J.	Joseph Weyman.	do.	Aug. 24, 1864	1 acre.	Do.
3	Whiteland, Bristol, Pa.	George Randall.	do.	Aug. 30, 1864	1 acre.	Purchased.
4	Lebanon, Philadelphia, Pa.	J. C. White.	do.	July 23, 1867	56 lots.	Do.
5	Penn's Point, N. J.	United States.	do.	.....	.....	Military reservation.
6	Pea Patch Island, Del.	United States.	do.	.....	.....	Do.
7	Point Lookout, Md.	Logan O. Smith	do.	June 30, 1868	7 acres	Purchased by appraisement.
8	United States Military Asylum, Dist. Col.	United States.	do.	.....	.....	Military reservation.
9	Arlington, Va.	Robert E. Lee	do.	Sept. 25, 1866	2 lots, (64,000 sq. feet)	Purchased by tax sales.
10	Rural Cemetery, Chester, Pa.	J. F. Eyre	do.	Feb. 27, 1868	1 lot.	Do.
11	Odd Fellows Cemetery, Va.	H. Hopkins	do.	April 27, 1868	1 acre.	Purchased by appraisement.
12	Culpeper Court House, Va.	E. B. Hill and wife	do.	May 13, 1867	60 3/4	Do.
13	Hampden, Va.	William E. Wood.	do.	July 29, 1867	3 acres	Do.
14	Richmond, Va.	William Slater and wife.	do.	Jan. 23, 1868	0.89 acres	Purchased by appraisement.
15	City Point, Va.	E. Comer	do.	March 10, 1868	2.71 acres	Purchased by appraisement.
16	Yorktown, Va.	Fred. W. Power	do.	May 30, 1867	1.3 acres	Do.
17	Glendale, Va.	Lucy C. Nelson and others	do.	April 24, 1867	2.13 acres	Do.
18	Seven Pines, Va.	Richard Hilliard	do.	Nov. 3, 1868	12.05 acres	Purchased.
19	Fredericksburg, Va.	Dougl. H. Gordon and wife	do.	Feb. 10, 1867	8 1/2	Do.
20	Poplar Grove, Petersburg, Va.	John Flowers.	do.	Sept. 30, 1868	5 acres	Do.
21	Wilmington, N. C.	Isaac D. Ryttenberg	do.	March 13, 1869	1.1463 acres	Do.
22	Stanton, N. C.	Nicholas K. Trout and others	do.	Feb. 10, 1863	7.589 acres	Do.
23	Newbern, N. C.	William F. Moore and wife	do.	May 31, 1866	31 acres	Military reservation.
24	Beaufort, S. C.	State of South Carolina	do.	.....	.....	Donated.
25	Rose Hill, Columbia, Tenn	John Baird.	do.	July 14, 1866	20.01 acres	Do.
26	Marietta, Ga.	H. G. Cole and Georgia C. his wife	do.	.....	.....	Do.
27	Montgomery, Ala.	W. L. Coleman, mayor, &c	do.	.....	.....	Do.
28	Mobile, Ala.	City of Mobile.	do.	.....	.....	Do.
29	Fort Barrancas, Fla.	United States.	do.	.....	.....	Military reservation.
30	Corinth, Miss.	Walker, White, and Vance	do.	Feb. 1, 1868	20 acres	Purchased by appraisement.
31	Natchez, Miss.	Margaret Case, T. D. Purnell, and others.	do.	July 31, 1867	11.97 acres	Do.
32	Vicksburg, Miss.	Aloy. H. Jaynes and wife.	do.	Aug. 27, 1866	40 acres	Do.
33	Little Rock, Ark	City of Little Rock	do.	April 9, 1868	9.1 acres	Donated.
34	Pine Bluff, Ark.	Martha C. Allis.	do.	March 27, 1867	3 acres	Purchased.
35	Fayetteville, Ark	Stephen L. Stone and wife	do.	.....	.....	Do.
36	Fayetteville, Ark	David Walker	do.	May 20, 1867	3.248 acres	Do.
37	Baton Rouge, La.	Pierre Baron and Miss Simonia Bonna	do.	Oct. 16, 1868	1.741 acres	Do.
38	Chalmette, New Orleans, La.	City of New Orleans	do.	May 26, 1868	7 acres	Do.
39	Port Hudson, La.	J. H. Gibbens	do.	Aug. 17, 1869	13.6	Donated.
40	San Antonio, Texas	W. C. A. Thelepape, mayor, &c.	do.	Nov. 15, 1867	8 acres	Purchased.
41	Brownsville, Texas	United States.	do.	.....	1.9 acres	Military reservation.

43	Madison, Tenn.....	M. B. Howell, Master in Chancery.....	do.....	July 3, 1868	45 acres, 90 poles.	Purchased at sheriff's sale.
44	Fort Donelson, Tenn.....	James P. Flood.....	do.....	Apr. 23, 1867	13.34 acres	Purchased.
45	Memphis, Tenn.....	William Slides.....	do.....	Feb. 20, 1867	.....	Do.
46	Memphis, Tenn.....	A. Alton.....	do.....	Apr. 8, 1867	.....	Do.
47	Stones River, Tenn.....	Coleman Boyd.....	do.....	May 23, 1868	.....	Do.
48	Stones River, Tenn.....	James M. Tompkins.....	do.....	Aug. 10, 1868	8 acres, 105 poles	Do.
49	Stones River, Tenn.....	Benjamin Lillard.....	do.....	Aug. 10, 1868	7 acres, 69 poles.	Do.
50	Chattanooga, Tenn.....	Joseph Ruohs and others.....	do.....	.....	.....	Appropriated.
51	Knoxville, Tenn.....	John Dameron.....	do.....	June 10, 1867	10 acres	Purchased.
52	Shiloh, Pittsburg Landing, Tenn.....	Heirs of Th. B. Stubbs.....	do.....	.....	.....	.....
53	Cave Hill, Louisville, Ky.....	J. Everett.....	do.....	July 21, 1863	10.05 acres	Purchase
54	Lexington, Ky.....	Lexington Cemetery Association.....	do.....	July 1, 1867	42, 114 feet	Do.
55	Danville, Ky.....	Town of Danville, Ky.....	do.....	July 1, 1867	18 lots	Do.
56	Lebanon, Ky.....	James C. McElroy.....	do.....	Apr. 6, 1867	2 acres	Do.
57	Logan's Cross Roads, Ky.....	William H. Logan and wife.....	do.....	July 5, 1867	.....	Donated.
58	Frankfort, Ky.....	Frankfort Cemetery Company.....	do.....	Jan. 4, 1868	9 lots.	Purchased.
59	Camp Nelson, Ky.....	Mary Scott.....	do.....	.....	7 acres, 1 quarter, 3 poles.	Do.
60	Madison, Wis.....	C. W. Keys, mayor, &c.....	do.....	June 18, 1868	.....	Do.
61	Prairie du Chien, Wis.....	J. Lockwood.....	do.....	June 18, 1868	.....	Do.
62	Oakwoods Cemetery, Chicago, Ill.....	J. O. Scammon, president.....	do.....	Apr. 23, 1866	18,340 square feet	Do.
63	Crown Hill, Indianapolis, Ind.....	J. M. Ray, president.....	do.....	Aug. 27, 1867	Section 10	Donated.
64	New Albany, Ind.....	Charles and Georgiana Bowman.....	do.....	Dec. 15, 1862	3.46 acres	Purchased.
65	Alton, Ill.....	Thomas Dunford and wife.....	do.....	Oct. 15, 1867	0.44 acre	Do.
66	Mound City, Racine, Wis.....	City of Racine.....	do.....	May 23, 1868	2 lots.	Do.
67	Jefferson City, Mo.....	Israel H. Reed and wife.....	do.....	Dec. 7, 1867	2 acres	Do.
68	Springfield, Mo.....	N. F. Chaires and wife.....	do.....	June 2, 1868	5 acres	Donated.
69	Springfield, Mo.....	R. B. Owen, mayor, &c.....	do.....	Aug. 16, 1867	5 acres	Purchased.
70	Davenport, Iowa.....	B. B. Woodward, president.....	do.....	June 23, 1868	.....	Do.
71	Keokuk, Iowa.....	W. Patterson, mayor.....	do.....	Aug. 23, 1866	28 rods	Purchased.
71	Fort Scott, Kansas.....	Fort Scott Town Company.....	do.....	Oct. 16, 1868	.....	.....

Respectfully submitted.

QUARTERMASTER GENERAL'S OFFICE, October 14, 1868.

ALEX. J. PERRY.  
Brevet Brigadier General and Quartermaster U. S. A.

*Monthly statement of the account between the United States and railroad companies indebted to the United States, for the sale of military railroad property under executive orders of August 8 and October 14, 1865, and orders of the Quartermaster General, for the month ending June 30, 1869.*

Number.	Name of company.	Value of property sold.	Interest on same to June 30, 1869.	Total to June 30, 1869.	Balance of principal unpaid June 1, 1869.	Balance of interest unpaid June 1, 1869.	Total principal and interest unpaid June 1, 1869.	Interest for the month of June, 1869.	Total interest due and payable June 30, 1869.	Balance of installments unpaid June 1, 1869.	Installments for the month of June, 1869.	Total installments due 30, 1869.
1	Alexandria, Loudon, and Hampshire	\$62,593 96	\$15,970 37	\$78,572 33	\$50,862 67	\$47 91	\$50,910 58	\$59 30	\$47 91	\$50,862 67	\$1,000 00	\$50,862 67
2	Atlantic and North Carolina	51,453 93	10,630 15	61,484 08	29,426 46	229 22	30,655 70	134 56	353 78	16,613 84	\$1,000 00	17,613 84
3	Alabama and Florida	27,169 04	7,892 92	35,061 96	12,218 33	4,589 31	16,807 64	173 69	4,754 00	6,859 30	1,371 86	8,231 16
4	Alabama and Chattanooga	30,248 52	96,925 09	463,118 11	350,447 28	19,258 99	369,706 27	2,102 68	21,361 67	10,697 93	.....	19,067 93
5	East Tennessee and Georgia	366,183 02	71,317 04	337,500 06	240,258 81	6,897 63	247,156 44	1,495 37	8,323 00	170,923 73	11,008 99	181,292 73
6	East Tennessee and Virginia	295,655 65	25,671 33	145,444 19	114,772 80	28,117 10	142,889 90	688 64	28,805 74	90,801 80	4,782 20	95,584 00
7	Edgfield and Kentucky	114,772 86	25,671 33	145,444 19	114,772 80	28,117 10	142,889 90	688 64	28,805 74	90,801 80	4,782 20	95,584 00
8	Indianola	20,000 00	.....	20,000 00	15,000 00	.....	15,000 00	.....	.....	.....	.....	.....
9	Knoxville and Kentucky	12,335 63	2,176 78	14,512 41	9,844 89	73 75	9,918 64	57 27	130 02	8,183 30	513 99	8,697 29
10	McMinnville and Manchester	20,310 00	5,034 35	25,344 35	20,310 00	4,878 74	25,188 74	121 86	5,000 00	19,463 75	846 25	20,310 00
11	McMinnville and Manchester	296,108 54	5,863 22	32,611 76	296,108 54	5,706 00	31,904 57	137 19	5,863 22	295,198 54	1,394 85	296,593 39
12	Mississippi, Gainesville, and Tuscaloosa	33,476 39	9,043 09	42,519 48	33,476 39	5,858 22	39,334 61	200 86	3,059 08	29,291 85	1,394 85	30,686 70
13	Macon and Brunswick	26,820 00	4,376 41	31,196 41	5,459 81	95 11	5,554 92	29 78	57 87	5,429 81	1,000 00	6,429 81
14	Mobile and Ohio	505,143 70	63,637 82	568,781 52	112,266 43	.....	112,266 43	673 60	673 60	13,121 71	1,000 00	14,121 71
15	Mississippi and Tennessee	127,750 52	24,522 09	152,272 61	53,411 67	204 33	53,616 00	320 33	544 66	297,578 33	14,083 07	281,661 40
16	Memphis, Clarksville, and Louisville	326,992 36	89,120 48	426,112 84	326,992 36	62,905 89	389,898 25	2,021 59	64,277 48	42,646 17	1,000 00	43,646 17
17	Memphis, Clarksville, and Louisville	100 00	20,077 76	127,006 89	42,646 17	.....	42,646 17	253 88	255 88	18,184 89	1,000 00	19,184 89
18	Memphis and Little Rock	153,673 89	29,142 89	182,816 78	86,094 63	537 51	87,252 14	530 17	1,037 68	18,184 89	1,000 00	19,184 89
19	Nashville and Chattanooga	1,566,551 73	402,942 78	1,972,794 51	1,475,206 55	392,808 84	1,868,015 39	8,851 24	31,670 06	3,132 51	106,901 16	109,033 17
20	Nashville and Northwestern	525,400 26	145,421 00	670,821 26	525,400 26	103,768 65	629,168 91	3,132 51	106,901 16	3,132 51	106,901 16	109,033 17
21	Nashville and Decatur	405,193 92	82,822 35	488,016 27	260,890 10	9,705 08	270,595 18	1,084 92	4,390 00	100,638 40	16,883 08	117,521 48
22	New Orleans and Ohio	32,150 00	7,969 58	40,119 58	27,961 19	1,732 00	29,693 19	167 77	1,899 77	27,961 19	.....	27,961 19
23	New Orleans and Ohio	3,547 20	.....	3,547 20	1,152 21	.....	1,152 21	.....	.....	.....	.....	.....
24	New Orleans, Opelousas, and Great Western	113,773 45	11,947 35	125,720 80	32,964 84	79 12	33,043 96	158 45	237 57	32,964 84	.....	32,964 84
25	Pacific Railroad, of Missouri	125,433 65	.....	125,433 65	29,073 44	.....	29,073 44	.....	.....	.....	.....	.....
26	Southwest Branch Pacific Railroad, of Missouri	57,115 24	.....	57,115 24	57,115 24	.....	57,115 24	.....	.....	.....	.....	.....
27	Selma and Meridian	146,327 92	20,163 01	166,490 93	40,213 63	.....	40,213 63	241 26	241 26	.....	500 00	500 00
28	Selma, Rome, and Dalton	183,276 49	44,980 58	228,257 07	153,018 80	2,617 06	155,635 86	918 11	3,535 77	70,167 00	9,081 89	79,248 89
29	San Antonio and Mexican Gulf	46,775 19	10,510 92	57,286 11	46,494 01	4,328 11	50,822 12	278 86	4,613 97	46,494 01	.....	46,494 01



## Monthly statement of the account between the United States and railroad companies, &amp;c.—Continued.

Number.	Name of company.	Total interest and installment due and payable June 30, 1869.	Payments made during the month of June, 1869.					Total payments made to June 30, 1869.	Balance of interest unpaid July 1, 1869.	Balance of installment unpaid July 1, 1869.
			Date on which the companies are entitled to credit for same.	How paid.	Amount paid.	Interest credited the companies on same.	Total.			
1	Alexandria, London, and Hampshire .....	\$60,289 88						\$18,282 45	\$407 21	\$59,882 67
2	Atlantic and North Carolina .....	17,977 62						38,933 82	363 78	17,613 84
3	Alabama and Florida .....		Feb. 17, 1869	Transpt. B. R. F. & A. L.	\$17 14		\$17 14	14,907 85		
4	Alabama and Chattanooga .....	12,985 16						4,373 92	4,754 00	8,231 16
5	East Tennessee and Georgia .....	40,969 60	Oct. 6, 1867	Treasury award.	229 68		229 68	91,528 54	21,131 99	19,837 61
6	East Tennessee and Virginia .....	189,615 72		See remarks.	238 92	\$39 29	267 21	79,718 09	8,035 79	181,292 72
7	Edgemoor and Kentucky .....	124,494 74						1,865 29	28,805 74	95,644 00
8	Indiana .....							5,000 00		
9	Knoxville and Kentucky .....	8,897 91						4,826 90	130 62	8,697 29
10	McMinnville and Manchester .....	25,310 60						3 75	5,000 60	20,310 00
11	McMinnville and Manchester .....	32,061 76						5,984 61	5,863 22	26,198 54
12	Mississippi, Gainesville, and Tusculooosa .....	33,745 78						25,888 27	3,029 08	30,868 70
13	Marion and Brunswick .....	5,517 68	Feb. 2, 1869	Transpt. B. R. F. & A. L.	203 90	5 55	219 54	455,341 49	673 60	14,121 71
14	Mobile and Ohio .....	14,795 31								
15	Mississippi and Tennessee .....	544 66	June 9, 1869	Cash	354 70		354 70	98,670 98	224 19	
16	Memphis, Clarksville, and Louisville .....	346,588 88						24,263 00	64,927 48	281,661 40
17	Memphis, Clarksville, and Louisville .....							100 00		
18	Memphis and Ohio .....	42,902 05						84,104 84	255 88	42,646 17
19	Memphis and Little Rock .....	20,242 51						95,064 47	1,027 08	19,184 83
20	Nashville and Chattanooga .....	211,660 08						288,927 88	211,660 08	
21	Nashville and Northwestern .....	628,986 33						41,834 83	106,901 16	522,085 17
22	Nashville and Decatur .....	121,942 08		See remarks.	513 99	49 58	563 51	203,399 08	3,227 09	117,531 48
23	New Orleans and Ohio .....	29,860 96						10,949 62	1,899 77	27,961 19
24	New Orleans and Ohio .....		Oct. 23, 1867	Treasury award.	979 46	157 76	1,137 22	3,532 21		
25	New Orleans, Opelousas, and Great Western .....	33,202 41		See remarks.	32,762 14	87 45	32,849 59	125,367 98		352 82
26	Pacific Railroad, of Missouri .....							96,360 21		
27	Southwest Branch Pacific Railroad, of Missouri .....									
28	Selma and Meridian .....	741 28	Nov. 7, 1867	Treasury award	149 50	17 97	167 47	126,303 40	73 81	500 00
29	Selma, Rome, and Dalton .....	82,804 66						71,708 41	3,535 77	70,268 89
30	San Antonio and Mexican Gulf .....	51,105 08						8,181 03	4,011 07	46,494 01



REPORT OF THE SECRETARY OF WAR.

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	1,071 60				67 75	1,002 81
31	Vicksburg and Meridian, South Mississippi				15,683 57	
32	Western North Carolina				60 51	
33	Washington, Alexandria, and Georgetown				7,449 37	
34	Richmond, Fredericksburg, and Potomac				11,935 05	
35	Georgia Railroad and Banking Company				46,159 89	
36	Southwestern				83,638 15	
37	Macon and Western				23,105 26	
38	South Carolina				5,698 77	
39	Muskegon				68,633 60	
40	Petersburg				578,383 73	
41	Memphis and Charleston				15,830 28	
42	Mobile and Great Northern				216,522 49	
43	New Orleans, Jackson, and Great Northern				84,838 56	
44	Mississippi Central				117,251 05	
45	Virginia and Tennessee				41,884 59	
46	Montgomery and West Point				80,364 66	
47	Virginia Central				23,804 63	
48	Rome				543,139 37	
49	Western and Atlantic				131,383 18	
50	Orange and Alexandria				5,496 38	
51	Manassas Gap				91,446 31	
52	Wilmington and Weldon				58,267 18	
53	Alabama and Florida					
54	Total				35,790 06	477,987 40
55						1,698,534 15

*Monthly statement of the account between the United States and railroad companies, &c.—Continued.*

Number.	Name of company.	Total interest and instalments un- paid July 1, 1869.	Balance of princ- pal unpaid July 1, 1869.	Total principal and interest unpaid July 1, 1869.	Terms of payment.
1	Alexandria, Loudon and Hampshire .....	\$60,980 88	\$29,892 67	\$90,889 88	Due June 30, 1869, \$5,000 payable monthly in money.
2	Atlantic and North Carolina .....	17,977 62	92,790 98	110,768 60	Transportation accounts filed sufficient to liquidate the debt.
3	Alabama and Florida .....	12,985 16	15,901 19	28,886 35	Transportation and postal service applied to payment of debt.
4	Alabama and Chattanooga .....	40,969 60	35,948 52	76,918 12	Interest and instalments payable monthly in money; company to be credited with postal and transportation service.
5	East Tennessee and Georgia .....	180,348 51	350,447 58	530,796 09	Interest payable monthly in money; company to be credited with postal and transportation service. Receiver appointed August 3, 1869.
6	East Tennessee and Virginia .....	124,494 74	240,228 81	364,723 55	Interest and instalments payable monthly. Receiver appointed August 3, 1869.
7	Edgefield and Kentucky .....	15,000 00	114,772 86	129,772 86	Payable in monthly instalments within two years from June 30, 1867, with interest.
8	Indiana .....	8,897 01	15,000 00	23,897 01	Payable in transportation service.
9	Knoxville and Kentucky .....	9,544 86	9,544 86	19,089 72	Interest and instalments payable monthly.
10	McMinnville and Manchester .....	32,310 60	95,310 60	127,621 20	Due July 1, 1869.
11	McMinnville and Manchester .....	32,061 76	96,198 54	128,260 30	Due July 1, 1869.
12	Mississippi, Gainesville, and Tuscaloosa .....	33,745 76	53,476 39	87,222 15	Payable in monthly instalments within two years from September 30, 1867, with interest.
13	Macon and Brunswick .....	5,308 14	5,308 14	10,616 28	Due February 21, 1869.
14	Mobile and Ohio .....	14,795 31	112,566 43	127,361 74	Interest and \$1,000 payable monthly in money; company to be credited with postal and transportation service.
15	Mississippi and Tennessee .....	224 19	53,377 44	53,601 63	Interest payable monthly in money; company to commence paying instalments November 1, 1869.
16	Memphis, Clarksville, and Louisville .....	346,588 88	336,932 36	683,521 24	Payable in monthly instalments within two years from November 30, 1867, with interest.
17	Memphis, Clarksville, and Louisville .....	42,992 05	42,646 17	85,638 22	Due February 25, 1869.
18	Memphis and Ohio .....	20,242 51	86,694 63	106,937 14	Interest and \$7,000 payable monthly in money; company to be credited with postal and transportation service.
19	Memphis and Little Rock .....	911,600 08	1,475,306 55	2,386,906 63	Net earnings paid monthly. Receiver appointed August 3, 1869.
20	Nashville and Chattanooga .....	629,996 52	629,996 52	1,259,993 04	Due November 30, 1868. Receiver appointed August 3, 1869.
21	Nashville and North Western .....	191,378 57	290,890 10	482,268 67	Interest and instalments payable monthly.
22	Nashville and Dayton .....	28,860 96	27,561 19	56,422 15	Due; receiver appointed; suit pending.
23	New Orleans and Ohio .....	352 62	352 62	705 24	Due June 30, 1868; accounts filed in Third Auditor's office sufficient to liquidate debt.
24	New Orleans and Ohio .....	352 62	352 62	705 24	Payable in transportation services; one-half to be applied.
25	New Orleans, Opelousas, and Great Western .....	573 81	573 81	1,147 62	Interest and \$500 payable monthly in money; company to be credited with postal and transportation service.
26	Pacific Railroad, of Missouri .....	.....	29,073 44	29,073 44	
27	Southwest Branch Pacific Railroad, of Missouri .....	.....	57,115 53	57,115 53	
28	Seina and Meridian .....	.....	40,213 63	40,213 63	

29	Selma, Rome, and Dalton.....	82,804 06	153,018 80	150,534 60	\$10,000 payable monthly in money : company to be credited with postal and transportation service. Due March 25, 1868.
30	San Antonio and Mexican Gulf.....	51,105 08	46,494 01	51,105 08	Accounts referred to Third Auditor sufficient to liquidate debt.
31	Vicksburg and Meridian, South Mississippi.....	13,916 85	13,916 85	13,916 85	Interest and \$100 payable monthly in money : postal and transportation service to be credited.
32	Western North Carolina.....	1,071 60	1,173 70	1,240 58	Transportation service applied to payment of debt.
33	Washington, Alexandria, and Georgetown.....	254 55	254 55	254 55	Debt discharged January 1, 1866.
1	Richmond, Fredericksburg, and Potomac.....	.....	.....	.....	Debt discharged January 12, 1866.
2	Georgia Railroad and Banking Company.....	.....	.....	.....	Debt discharged May 4, 1866.
3	Southwestern.....	.....	.....	.....	Debt discharged November 24, 1866.
4	Macon and Western.....	.....	.....	.....	Debt discharged January 31, 1867.
5	South Carolina.....	.....	.....	.....	Debt discharged May 15, 1867.
6	Muscogee.....	.....	.....	.....	Debt discharged August 23, 1867.
7	Petersburg.....	.....	.....	.....	Debt discharged October 16, 1867.
8	Memphis and Charleston.....	.....	.....	.....	Debt discharged October 31, 1867.
9	Mobile and Great Northern.....	.....	.....	.....	Debt discharged February 29, 1868.
10	New Orleans, Jackson, and Great Northern.....	.....	.....	.....	Debt discharged April 11, 1868.
11	Mississippi Central.....	.....	.....	.....	Debt discharged April 16, 1868.
12	Virginia and Tennessee.....	.....	.....	.....	Debt discharged July 16, 1868.
13	Montgomery and West Point.....	.....	.....	.....	Debt discharged July 21, 1868.
14	Virginia Central.....	.....	.....	.....	Debt discharged August 10, 1868.
15	Rome.....	.....	.....	.....	Debt discharged August 27, 1868.
16	Western and Atlantic.....	.....	.....	.....	Debt discharged October 3, 1868.
17	Orange and Alexandria.....	.....	.....	.....	Debt discharged October 8, 1868.
18	Manassas Gap.....	.....	.....	.....	Debt discharged November 4, 1868.
19	Wilmington and Weldon.....	.....	.....	.....	Debt discharged May 31, 1869.
20	Alabama and Florida.....	.....	.....	.....	Debt discharged May 31, 1869.
	Total.....	2,103,821 55	4,227,363 32	4,704,650 72	

I certify that the above report is correct.

J. J. DANA,  
Major and Quartermaster, Brevet Brig. General U. S. A.,  
In charge indebtedness southern railroad companies.

## REPORT OF THE COMMISSARY GENERAL OF SUBSISTENCE.

OFFICE COMMISSARY GENERAL OF SUBSISTENCE,  
*Washington City, October 20, 1869.*

GENERAL: I have the honor to submit this annual report of the operations of the Subsistence Department.

The effort that has been made by this department since the close of the war of the rebellion to obtain its necessary supplies for the subsistence of the army by purchasing them at or near the several points of consumption as possible, has been continually successful to a great and increasing extent, resulting in affording the troops fresh stores, in relieving the Quartermaster's Department from the cost of transportation, in widely distributing the patronage of the government among the whole population of the country, and in affording especial and desired encouragement to the agricultural, stock raising, milling, trading, and other interests of the ever-advancing frontiers of the newer States and Territories.

The hope and expectation is entertained that this department will soon be able, by making its purchases at and near the several points of issue, and by transporting its own supplies wherever there exist well-established commercial freighting lines by steamboats and railroads, open to its direct access and use, largely to relieve the Quartermaster's Department from the expense of such transportation, perhaps entirely, except where that department possesses public means of transportation, or enters into special contracts for transportation, as is as yet necessary on the great plains of the West.

Notwithstanding the purchase of many supplies at or near the posts occupied by troops, it is still necessary, for the purchase and distribution of groceries and such supplies as are not thus obtainable, to retain purchasing and depot officers of the department on duty at several market and distributing centers of the country, as at New York, Baltimore, Washington, Richmond, Chicago, Cincinnati, Louisville, Atlanta, New Orleans, Austin, St. Louis, Omaha, San Francisco, Portland, Oregon, &c.

The efforts of Brevet Major General M. D. L. Simpson, assistant commissary general of subsistence, chief commissary of subsistence, military division of the Pacific, referred to in my last annual report, to procure from the productions of the Pacific coast the salt meats required for the troops of the military division of the Pacific, have met with eminent success; a large part of the supply of such meats having been obtained by him of excellent quality, and at prices much less than those at which the same articles could have been furnished from the eastern markets. It is confidently expected that hereafter the Subsistence Department will be able to procure in the States of the Pacific coast all the salt meats required for issue therein.

During the fiscal year ending June 30, 1869, there were reported to this office 517 advertisements for supplies, 325 contracts for fresh beef and beef cattle, 22 contracts for complete rations, 102 contracts for miscellaneous articles, and 1,595 contracts, consisting of written proposals and acceptances.

The average price of fresh beef, per contracts made during the fiscal

year ending June 30, 1869, was as follows in the several States and Territories:

State or Territory.	Cents per pound.	State or Territory.	Cents per pound.	State or Territory.	Cents per pound.
Maine.....	16.49	Alabama.....	8.40	Nebraska.....	9.38
Massachusetts.....	14	Mississippi.....	8.98	Kansas.....	8.34
Rhode Island.....	14	Louisiana.....	6.91	Indian Territory.....	8.84
Connecticut.....	14.28	Texas.....	5.71	Dakota.....	10.37
New York.....	13.37	Arkansas.....	8.14	Wyoming.....	9.83
Pennsylvania.....	13.48	Tennessee.....	9.13	New Mexico.....	7.08
Delaware.....	16	Kentucky.....	9.81	Colorado.....	9.83
Maryland.....	13.90	West Virginia.....	8.66	Utah.....	10.70
District of Columbia.....	12.08	Ohio.....	11.32	Montana.....	13.02
Virginia.....	11.96	Indiana.....	9.16	California, (coin).....	11.69
North Carolina.....	11.44	Illinois.....	8	Oregon, (coin).....	10.13
South Carolina.....	11	Michigan.....	11.93	Arizona, (coin).....	10.73
Georgia.....	11.85	Missouri.....	8.90	Washington, (coin).....	12.37
Florida.....	6.53	Minnesota.....	10.42	Idaho, (coin).....	13

Average contract price in military division of the Pacific, 11.62 cents per pound, coin.

Average contract price east of military division of the Pacific, 10.61 cents per pound, currency.

The first cost of the complete army ration, at the principal points of purchase, in the fiscal year 1868-'69, was as follows:

Date.	New York, N. Y.	Baltimore, Md.	Leakville, Ky.	St. Louis, Mo.	St. Paul, Minn.	Omaha, Neb.	Fort Leavenworth, Kans.	New Orleans, La.	Chicago, Ill.	San Francisco, Cal.
1868.	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.
July.....	21.62	24.96	22.52	24.74	22.70	24.21	21.24	21.91	22.46	21.57
August.....	22.81	25.32	22.59	23.94	22.16	23.37	21.92	23.79	22.29	23.27
September.....	23.85	24.46	22.53	23.27	22.31	24.34	21.43	23.07	22.22	24.74
October.....	22.24	24.77	22.29	24.05	22.32	24.49	23.90	24.15	23.17	23.71
November.....	23.91	23.12	22.44	24.06	22.00	24.23	24.11	20.45	23.41	23.76
December.....	21.27	21.30	22.76	22.91	23.51	24.00	23.17	23.02	21.55	24.05
1869.										
January.....	22.23	22.88	21.46	24.28	20.25	23.72	22.70	23.06	21.57	23.00
February.....	24.16	23.79	21.50	23.25	20.21	24.10	23.64	23.45	19.57	22.72
March.....	22.24	24.13	22.62	23.45	21.22	23.23	23.16	23.40	22.14	22.24
April.....	22.33	23.79	22.62	22.74	21.20	23.16	24.20	23.45	22.30	23.07
May.....	21.47	23.10	22.77	21.67	21.31	23.14	24.76	21.46	21.91	21.90
June.....	22.43	23.33	22.71	22.93	19.76	23.26	23.93	22.21	23.69	23.69
Average.....	22.47	23.64	22.65	23.42	21.66	23.94	23.23	23.04	22.71	23.69

giving as the general average for the year, 23.07 cents per ration.

Under the requirements of section 6 of the act of March 3, 1865, and General Orders No. 64, of 1866, this department has purchased and sold to enlisted men of the army an average monthly supply of tobacco of the value of \$19,228 02—the tobacco being charged against each soldier upon the muster and pay rolls. The accounts of sales are transferred from this office to the office of the Paymaster General, in which

the amounts found so charged are duly noted for transfer at the treasury from the appropriation for the pay of the army to that for the subsistence of the army.

Subsistence stores to the value of \$248,281 46 have been supplied by this department to freedmen and others under the proper and authenticated requirements of the officers and agents of the Bureau of Refugees, Freedmen and Abandoned Lands, during the fiscal year ending June 30, 1869, which amount, together with \$55,036 75, being the value of stores supplied in the years 1867 and 1868, and not before paid for, making a total sum of \$303,318 21, has been repaid, or notification received that the proper transfer at the treasury has been requested.

Issues from the army subsistence stores have been made to Indians as follows: Under the provisions of section 16 of the act of June 30, 1834, "That the President be authorized to cause such rations as he shall judge proper, and as can be spared from the army provisions without injury to the service, to be issued, under such regulations as he shall think fit to establish, to Indians who may visit the military posts or agencies of the United States on the frontiers, or in their respective nations, &c.;" and of paragraph 1202, Revised Regulations for the Army, of 1863, made in pursuance thereof, by which the President has authorized commanding officers to allow issues of subsistence to be made to Indians, such issues have been made to the value of \$151,789 86; and under the same law and by the special orders of the Secretary of War, of October 29, 1868, to Lieutenant General W. T. Sherman, commanding military division of the Missouri, given at the request of the Secretary of the Interior, of October 27, 1868, and under representations of "the destitute condition of the Osage and other tribes of Indians, and urging the necessity of supplying them with subsistence to prevent them from starving the [then] approaching winter," issues were made to the Osage Indians to the value of \$37,500 91.

Under the instructions of the War Department, given in compliance with a request of the Secretary of the Interior, the Subsistence Department is furnishing the Indian Department with subsistence for Indians placed upon reservations at Cheyenne, Whetstone, Grand River, Yankton, and Crow Wing agencies; as also to those at or near several posts on the Upper Missouri River; also at Fort Sill and on the Arapahoe and Cheyenne reservation in the Indian territory. The ration furnished the Indians is prescribed or approved by the Secretary of the Interior. For the cost of such supplies and the expenses incident to their distribution, the Subsistence Department is to be reimbursed from the appropriation made by section 4 of the act of April 10, 1869.

Under the joint resolution of July 25, 1866, and section 3, act of March 2, 1867, for the payment of commutation of rations to Union soldiers, prisoners of war, and to their heirs, 692 certificates have been received and paid since the date of my last report, amounting to \$27,621 75, making the whole number of these claims now paid 5,636, amounting to \$250,503 25.

Under the act of July 4, 1864, for the payment in certain cases of claims for subsistence taken and used by the army, 5,409 claims have been received, (exclusive of claims mis sent to this office under that act for other than subsistence stores,) amounting to \$2,899,806 15, of which number 4,290, amounting to \$2,581,064 13, have been examined and disallowed, and 1,083, amounting to \$288,033 87, have been recommended to the Third Auditor for settlement in the aggregate sum of \$215,649 43; leaving still pending 36 of these claims, amounting to \$30,708 15.

During the fiscal year ending June 30, 1869, there were received from

784 different officers of the army who have performed duty in the Subsistence Department:

Returns of provisions.....	3,975
Returns of property.....	3,846
Accounts current.....	4,086
Total accounts and returns received.....	11,907
Total accounts and returns examined and referred to the Third Auditor for final settlement.....	11,787

It is known to yourself, as also to the whole country, that Brevet Lieutenant Colonel Joseph G. Crane, commissary of subsistence, was assassinated at Jackson, Mississippi, on the 8th of June, 1869. In the death of Colonel Crane this department and the public service generally lost an honorable and excellent officer, who served the country faithfully throughout the war of the rebellion, having occupied, with credit to himself and advantage to the country, several important and responsible positions. He passed safely through the perils of war to fall, in the prime of life, by the hands of the assassin.

The regular ration provided for the army can probably be improved by being composed of a greater variety of articles, by a diminution or an increase of some of its present components, and also by a change in the method of providing the army with bread, and by utilizing in the interest of soldiers' messes all the savings made in baking the flour issued to them by this department. I respectfully invite your attention to this subject as presented by me in a communication to the Adjutant General of the army of June 17, 1869.

The extra labor and responsibility of officers of the line of the army designated to act as commissaries of subsistence have, under the provisions of section 25 of the act of July 28, 1866, abolishing the office of sutler, and, under orders given in furtherance of that act, requiring the Subsistence Department to furnish such articles as may from time to time be designated by the Inspectors General of the army, to be sold to officers and enlisted men, has become so great as to render the extra pay now allowed to them inadequate to the increased responsibility. I therefore respectfully recommend that Congress may be asked to repeal the proviso to the second section of the act of March 2, 1827, granting "to each captain and subaltern in the army an additional ration," [the fourth.] Such repeal would have the effect of granting to officers of the line, while actually performing the duty of commissary of subsistence, the extra compensation of twenty dollars per month, instead of, as at present, twenty dollars per month *less* one ration, (nine dollars,) or eleven dollars per month. Such increase would seem to be no greater than a due consideration of the greatly increased responsibilities justify.

I have the honor to invite attention to the fact that the provisions of section 6 of the act of April 14, 1818, authorizing the President to appoint assistant commissaries of subsistence, as also all subsequent acts continuing from time to time such authority to the President, have lapsed, expiring by limitation of the several acts; so that now, while it is necessary to appoint many officers to *act* as assistant commissaries of subsistence, there is legally no such office as assistant commissary of subsistence in existence. Since it will not necessarily be attended by any increase of expense, and will remedy the anomalous condition of things above alluded to, and will provide this department with a valuable

and grade of officers, who will be especially interested in the proper subsistence of the troops, I recommend that Congress may be asked to restore to the service the office of assistant commissary of subsistence, and to authorize the President to appoint from the subalterns of the line of the army say thirty-two assistant commissaries of subsistence, who, before entering on the duties of their office, shall give bonds in the sum of \$5,000.

The Subsistence Department at all stations occupied by troops is, as you are well aware, principally dependent upon details from the ranks of the army for non-commissioned officers or private soldiers to act as storekeepers to assist the officers responsible for the stores, in receiving, storing, overhauling, invoicing, issuing, and selling commissary supplies; as also in his important and difficult clerical duties, which duties have been greatly increased and complicated under section 25 of the act of July 28, 1866, requiring the Subsistence Department to keep on hand and to sell to officers and enlisted men certain goods formerly supplied by sutlers. There cannot usually be obtained from the ranks of the army for this service a class of men of the proper requirements. This defect is now the greatest evil that this department labors under. Some measures should be adopted that will give to the officers who are made responsible for the commissary supplies at each military post, more reliable assistance than they are usually able to obtain by detail from the ranks of the army. To meet this very important requirement I recommend that Congress may be asked to authorize the Secretary of War to select from the non-commissioned officers of the army who shall have faithfully served therein five years, three years of which in the grade of non-commissioned officer, or from persons in civil life who shall have thus served in the army, as many persons, to be by him appointed commissary sergeants, as the service may require, not to exceed one for each military post or place of deposit of commissary stores.

\* \* \* \* \*

When this department was established there existed a department of purchases, with an officer in charge of it designated Commissary General of Purchases, rendering it necessary, in order to avoid confusion, to designate the head of this department Commissary General of *Subsistence*. Since the office of commissary general of purchases no longer exists, there is no propriety in continuing to use the redundant words of *subsistence*, in the designation of this department or of its officers. I would therefore respectfully suggest that, whenever Congress shall have occasion to enact any law relating to this department, its legal designation, as also that of its officers, may be changed; the department to be styled the Commissary Department, or the Army Commissariat, and its officers Commissary General, assistant commissary general, commissary, and assistant commissary, omitting the unnecessary words of *subsistence*.

I have the honor to be, very respectfully, your obedient servant,

A. B. EATON,

*Commissary General of Subsistence.*

The ADJUTANT GENERAL of the Army.



## REPORT OF THE SURGEON GENERAL

WAR DEPARTMENT, SURGEON GENERAL'S OFFICE,  
Washington, D. C., October 20, 1869.

SIR: I have the honor to submit the following statement of finances and general transactions of the medical department of the army for the fiscal year ending June 30, 1869.

The funds pertaining to the medical and hospital department for the year ending June 30, 1869, were:

Balance in the Treasury from June 30, 1868, including sums deposited, but not covered in until after that date .....	\$1, 327, 644 48
In hands of disbursing officers .....	146, 147 72
	<hr/>
Appropriations under act of June 8, 1868 .....	1, 473, 792 20
Appropriations under act of March 3, 1869 .....	207, 000 00
Proceeds of sales of old or surplus hospital property ...	65, 000 00
Received for property lost in transportation. ....	300, 003 12
Received for board of officers in hospitals .....	53 87
Received for expenditures during the late war on account of other departments .....	317 25
Derived from all other sources .....	171 50
	126 43
	<hr/>
	2, 047, 154 37
	<hr/>

The current expenses of the medical department, were:

Purchase of supplies .....	\$88, 152 08
Pay of private physicians employed under paragraph 1309, Regulations, not under contract and not paid by the pay department .....	12, 918 24
Pay of hospital attendants and other employés .....	8, 268 55
Expenses of purveying depots .....	71, 332 26
Board of sick soldiers in private hospitals .....	1, 589 50
*Artificial limbs .....	14, 270 00
Miscellaneous expenses .....	35, 912 40
Revenue tax on salaries .....	1, 117 58
	<hr/>
	233, 561 21

Private claims accrued prior to January 1, 1868, viz:

For medical and hospital supplies .....	\$33, 287 73
For pay of private physicians .....	14, 643 79
For pay of other employés .....	1, 010 03
For expenses of purveying depots .....	58 75
For board of sick soldiers .....	1, 756 44
For artificial limbs .....	1, 625 00
For miscellaneous expenses .....	30 00
	<hr/>
	52, 411 24

\*<sup>10</sup> Furnished during the year 122 legs, 122 arms, 1 hand, 1 invalid chair, 10 apparatuses or resections. (which includes for officers 18 legs and 2 arms, costing \$1,440.)

Refunded to Pay Department amounts paid soldiers employed in hospitals previous to March, 1863.....	\$105,861 28	
Refundments to quartermasters up to March 10, 1869.....	74,232 10	
Refundments of sums erroneously deposited .....	1,237 85	
Carried to surplus fund of the Treasury under proviso of the army appropriation act of June 8, 1868 .....	155,174 76	
Accounts approved but not paid.....	12,752 76	
		<b>\$349,258 75</b>
Balance June 30, 1869, in the Treasury...	1,262,977 53	
In the hands of disbursing officers .....	161,697 90	
	<b>1,424,675 43</b>	
Deduct accounts approved but not paid .	12,752 76	
		<b>1,411,922 67</b>
Available balance .....		<b>2,047,154 37</b>

The deficiency appropriation bill approved March 3, 1869, designated for the service of the medical and hospital department, "for the purpose of enabling the Secretary of the Treasury to settle accounts of disbursing officers for expenditures already made in pursuance of law" ..		<b>\$750,000 00</b>
From this appropriation there was transferred on settlements declared by the accounting officers of the treasury in favor of quartermasters, on account of disbursements for medical and hospital services and supplies .....		<b>\$207,167 28</b>
Refunded by transfer to the appropriation for 100-days volunteers, on account of payments to contract surgeons .....	33,883 90	
Quartermasters' vouchers examined and approved, awaiting transfers of funds .	128,820 76	
Available balance June 30, 1869 .....	380,128 06	
		<b>750,000 00</b>

Of the appropriation for the comfort of sick and discharged soldiers, there remained unexpended June 30, 1868... **\$353,765 70**

There was disbursed during the fiscal year:

For care of sick discharged soldiers .....	\$10,135 95	
For transporting discharged soldiers to their homes .....	4,400 61	
Unexpended balance June 30, 1869. ....	339,229 14	
		<b>353,765 70</b>

The balance remaining June 30, 1868, of the sick and wounded soldiers' fund, collected under the amendatory enrollment act of February 24, 1864, sec. 17, was..... **\$282,355 94**

Expended during the succeeding fiscal year for hospital stores and attendants.	\$3,093 10	
Leaving a balance June 30, 1869, of.....	279,262 84	
		<hr/> <hr/> \$282,355 94

With a single exception, the health of the troops in all portions of the country has been remarkably good during the year. The measures adopted for an effective and stringent quarantine along the southern coast wherever the military control of the government extended have secured immunity from yellow fever—the disease most likely to be imported from Mexico and the West India Islands. At Key West, however, where the quarantine was only nominal, and the sanitary condition of the town favorable to the development of disease, the influx of refugees and others from Cuba and points where it was already prevailing was followed by an outbreak of yellow fever as early as the middle of May. The first case was directly attributable to daily intercourse with refugees from infected points, the second occurred in a citizen of the town just returned from a visit to Havana, and from these two the disease spread rapidly and in a most malignant form among the citizens. On the 28th of June the first case occurred among the troops, consisting of Companies B and D, Third United States Artillery, with the field and staff—in all thirteen (13) officers and one hundred and three (103) men, of whom forty-two (42) were attacked, and eighteen (18) died. In accordance with instructions from the War Department, based upon recommendations from this office, those of the command who had up to that time escaped the infection were removed to Indian Key, July 31, and encamped, no new cases of the fever occurring among them subsequently to this change of location. Of the sick left in the hospital at Key West, three died early in August, and one of the small party left with them was attacked but recovered. So soon as thoroughly convalescent all were removed to Indian Key, the disease continuing to prevail in a malignant form among the citizens of Key West to the close of the month of August. On a previous occasion, when yellow fever prevailed at Key West and Havana, it appeared at Fort Jefferson, Tortugas, a post now garrisoned by four (4) companies of artillery, supplied from and in constant communication with the former place. The entire escape this year from infection at Fort Jefferson is solely attributable to the intelligent, efficient, and rigorous quarantine measures carried out most strictly by the commanding officer, upon the recommendations of the post surgeon, Assistant Surgeon S. A. Storrow, United States Army. No direct communication was allowed with Key West; the transport schooner *Matchless* was detained at the quarantine ground at each trip, and even her mails were landed on an adjacent key and properly disinfected before being taken to the fort. Much inconvenience in the matter of fresh supplies was occasioned, but the result was an ample compensation, as although cases occurred on the schooner *Matchless*, not a single case of yellow fever has occurred at Fort Jefferson up to the present time. The prompt disappearance of yellow fever on the removal of the command from an infected post into camp at a healthy point, accords with observations made by officers of the medical staff, United States Army, during previous epidemics, and published in Circular No. 1, War Department, Surgeon General's Office, 1868, while the good results of a proper quarantine are established by the success attending it at Fort Jefferson.

Brevet Major General T. W. Sherman, in General Orders, No. 4

headquarters third artillery, Key West, Florida, September 10, 1869, says:

\* \* \* \* \* "But commendation is more especially due to—

"1. The arduous and efficient services of Dr. W. F. Cornick, acting assistant surgeon in charge, whose care, zeal, and attention to the interests of the well, the sick and the dying at all times, and particularly during the most malignant stage of the epidemic, could not have been surpassed.

\* \* \* \* \*

"2. The thanks of the regimental commander are hereby tendered to Lieutenant Colonel A. A. Gibson, third artillery, in command of Fort Jefferson, Dry Tortugas. It is by dint of the greatest care and precaution of the well enforced quarantine and sanitary regulations of this officer, to the sacrifice of much liberty and personal comfort of the garrison, that the scourage has not yet extended itself to that post.

"From witness of the past, it may be safely taken for granted that much life and suffering have been saved in this regiment by the successful efforts of this officer."

The health of the army shows a material improvement over the previous year.

The monthly reports of sick and wounded received at this office from the various posts for the fiscal year terminating June 30, 1869, represent an annual average mean strength of thirty-six thousand eight hundred and twenty (36,820) white, and four thousand two hundred and sixty-three (4,263) colored troops.

Among the *white troops* the total number of cases of all kinds reported as taken on the sick list was ninety-five thousand three hundred and forty, (95,340,) being at the rate of two thousand five hundred and eighty-nine (2,589) per thousand (1,000) of mean strength, or an average of about five (5) entries on sick report for every two (2) men. Of these entries eighty-five thousand four hundred and twenty (85,420) or two thousand three hundred and twenty (2,320) per thousand (1,000) of strength were for disease alone, and nine thousand nine hundred and twenty (9,920) cases, or two hundred and sixty-nine (269) per thousand (1,000) of strength, for wounds, accidents, and injuries.

The average number constantly on the sick report was two thousand one hundred and forty-two, (2,142,) or fifty-eight (58) per thousand (1,000) of strength. Of these, one thousand eight hundred and twenty-nine, (1,829,) or fifty (50) per thousand (1,000) of strength were under treatment for disease; three hundred and thirteen, (313,) or nine (9) per thousand (1,000) of strength, for wounds, accidents, and injuries.

The number of deaths reported was four hundred and seventy-three, (473,) or thirteen (13) per thousand (1,000) of mean strength. Of these three hundred and sixty-four, (364,) or ten (10) per thousand (1,000) of strength, died of disease, and one hundred and nine, (109,) or three (3) per thousand (1,000) of strength, of wounds, accidents, and injuries.

The proportion of deaths from all causes to cases treated was one (1) death to two hundred and two (202) cases.

Nine hundred and twenty-four (924) white soldiers are reported to have been discharged on surgeon's certificate of disability, being at the rate of twenty-five (25) per thousand (1,000) of mean strength.

Among the *colored troops* the total number of cases of all kinds reported was eight thousand eight hundred and ninety-five, (8,895,) being at the rate of two thousand and eighty-seven (2,087) per thousand (1,000) of mean strength, or an average of two (2) entries on sick report

for each man. Of these entries seven thousand nine hundred and twenty-five, (7,925,) or one thousand eight hundred and fifty-nine (1,859) per thousand (1,000) of strength, were for disease alone, and nine hundred and seventy, (970,) or two hundred and twenty-eight (228) per thousand (1,000) of strength, for wounds, accidents, and injuries.

The average number constantly on sick report was two hundred and twenty-five, (225,) or fifty-three (53) per thousand (1,000) of strength. Of these one hundred and eighty-two, (182,) or forty-three (43) per thousand (1,000) of strength, were under treatment for disease, and forty-three, (43,) or ten (10) per thousand (1,000) of strength, for wounds, accidents and injuries.

The number of deaths reported was seventy-five, (75,) or eighteen (18) per thousand (1,000) of strength. Of these fifty-four, (54,) or thirteen (13) per thousand (1,000) of strength, died of disease, and twenty-one, (21,) or five (5) per thousand (1,000) of strength, of wounds, accidents, and injuries.

The proportion of deaths from all causes to cases treated was one (1) to fifty seven (57) cases.

Two hundred and four (204) colored soldiers are reported discharged on surgeon's certificate of disability, being at the rate of forty-eight (48) per thousand (1,000) of mean strength.

During the year the records filed in the record and pension division of this office have been searched, and such official information relating to deaths, discharges and treatment as they contain, has been furnished in reply to the inquiries of the Pension Bureau in fourteen thousand four hundred and forty-three (14,443) cases; to the Adjutant General United States Army in four thousand nine hundred and seventy-five (4,975) cases; to the Paymaster General United States Army in two hundred and thirty one (231) cases; and to other authorized inquiries in one thousand and nineteen (1,019) cases; making a total of twenty thousand six hundred and sixty-eight, (20,668.) The class of cases now under examination, many of which require that the soldier shall be traced through several hospitals, occupy considerable time, and the clerical force now employed being too small for the prompt discharge of this duty, three thousand nine hundred and ninety-nine (3,999) cases remain unanswered at the date of this report.

Number of record-books on hand June 30, 1868, fifteen thousand five hundred, (15,500;) received during the year, two hundred and forty-five, (245;) number consolidated by copying and rebinding seven, (7;) total, fifteen thousand seven hundred and thirty-eight, (15,738.) The alphabetical register of deaths contains two hundred and eighty-three thousand four hundred and twenty-nine (283,429) names.

In the division of surgical records, five thousand seven hundred and sixty-seven (5,767) additional histories of surgical injuries or operations have been classified and copied upon the permanent registers, making the total number of cases there recorded two hundred and twenty-four thousand three hundred and five, (224,305.) Fifty-one thousand six hundred and sixty-nine (51,669) brief histories of cases of wounds and mutilations, derived from monthly reports of the early years of the war, have been copied and tabulated upon a form convenient for reference, but owing to the lack of clerical force have not yet been transcribed on the permanent registers. The histories of four thousand and sixty-two (4,062) selected surgical cases of especial interest have been written out for publication in the Medical and Surgical History of the War. In the completion of data in these cases, besides the usual applications to the Pension Bureau, and to the adjutants general or surgeons general of

States, one thousand and fifty-five (1,055) special letters of inquiry have been written; one hundred and seventeen (117) indorsements, one thousand three hundred and twenty-one (1,321) letters, and six hundred and seventy-eight (678) special reports have been received. Circular No. 2, a report on Excisions of the Head of the Femur for Gunshot Injuries, setting forth the results of treatment of gunshot injuries of the upper extremity of the femur, whether by amputation, excision, or temporization, illustrated by abstracts of three hundred and eighty (380) cases of this class of injuries, was published during the year. In addition to the work relating to the late war, the division of surgical records has received six hundred and twelve (612) reports of surgical injuries or operations incident to troops engaged in the Indian country during the current year, and a number of reports to aid in medico-legal inquiries, or the determination of pension claims, have been prepared.

The Army Medical Museum has been augmented by valuable acquisitions, and its collections have been examined by many scientific students of anatomy, ethnology, military medicine, surgery and hygiene. The number of visitors who registered their names during the year was twenty-five thousand three hundred and seventy-three, (25,373.) The catalogued specimens now number twelve thousand two hundred and twenty, (12,220,) an increase of two thousand one hundred and seventy-six (2,176) specimens during the year.

One hundred (100) pages of the surgical portion, and six hundred and fifty-seven (657) pages of the medical portion of the first volume of the Medical and Surgical History of the War have been printed. The wood-cuts, lithographs, and chromo-lithographs for this volume have been completed, the manuscript is in readiness, and the work is progressing as fast as is consistent with the minute accuracy indispensable in statistical matter.

In accordance with the request of the Commissioner of Agriculture, a series of investigations with reference to the supposed cryptogamic origin of some of the epidemic cattle diseases of this country was undertaken by Drs. J. S. Billings and Edward Curtis, assistant surgeons United States Army, on duty in this office, during the spring of the present year, and their report upon this subject has been published by the Agricultural Department.

The minute pathology of these diseases was also investigated at the Army Medical Museum by Dr. J. J. Woodward, assistant surgeon United States Army, and his report, with micro-photographical illustrations, is now in the hands of the Commissioner of Agriculture for future publication.

At the request of the Superintendent of the United States Naval Observatory, Dr. Edward Curtis, assistant surgeon, and brevet major, United States Army, was detailed for duty, in connection with the astronomical party detailed from the observatory, for the purpose of photographing the solar eclipse, on the 7th of August, near Des Moines, Iowa. The success of Dr. Curtis in securing most valuable and accurate pictures has been complete.

At the date of my last annual report there were forty-nine (49) vacancies in the grade of assistant surgeon, of these fourteen (14) were filled by examination and appointment previous to March 3, 1869, since which date all appointments and promotions in the medical corps have been suspended by the act of Congress of that date. There are now two (2) vacancies of surgeons, and forty-two (42) of assistant surgeons in the medical corps of the army.

The number of commissioned medical officers for duty on June 30,

1869, was one hundred and sixty-one, (161;) on sick leave, four, (4;) on leave, three, (3.) The estimated number of troops in service June 30, 1869, was thirty-two thousand eight hundred and ninety-six, (32,896;) of military posts, two hundred and thirty-nine, (239;) besides numerous detachments and temporary outposts requiring a medical officer—an average of one (1) medical officer to two hundred and four (204) men, distributed over the entire country from Alaska to the mouth of the Rio Grande. To supply the deficiency thus created, it has been necessary to employ physicians under contract.

The experience of the past three years has shown that the present organization of the medical staff of the army is the best possible for the interests of the service, and that even were all the vacancies now existing filled, it would be barely adequate in numbers to the demands of our peace establishment. In the British service, where troops are always massed in far larger bodies than in ours, the proportion is one medical officer to one hundred and twenty (120) men; and in both the British and Prussian service the relative rank of the medical officers is greater. In Prussia and Austria the adoption of the organization of the medical corps of the United States Army is strongly urged and partially effected. Regimental surgeons and assistant surgeons are to be done away with, and the entire medical corps will be a staff corps, its officers assigned to their duties, irrespective of regiments, by the minister of war through the surgeon general. So long as our extensive frontiers shall require garrisoned posts for their protection, any reduction of the medical corps below the minimum established by the act of Congress of July 28, 1866, fixing the military peace establishment of the United States, would prove prejudicial to the welfare of the troops and the efficient discharge of its duties.

I am, sir, very respectfully, your obedient servant,

JOS. K. BARNES,

*Surgeon General United States Army.*

The ADJUTANT GENERAL *United States Army.*

## REPORT OF THE PAYMASTER GENERAL.

PAYMASTER GENERAL'S OFFICE,

*Washington, October 20, 1869.*

SIR: I have the honor to submit my annual report of the transactions of the pay department of the army for the fiscal year ending June 30, 1869.

The accompanying tabular statements give all the details, from which is condensed the following summary exhibit:

Balance in hands of paymasters at the beginning of the fiscal year, July 1, 1868.....	\$5,981,578 14
Received from the Treasury during the fiscal year.....	36,245,000 00
Received by paymasters from other sources, exclusive of sums transferred among themselves.....	238,192 06
Total to be accounted for .....	42,464,770 20

Accounted for as follows:

Disbursements to the regular army ..... \$18,678,250 61

Disbursements to the Military Academy .....	\$185,258 78
Disbursements to volunteers, (back pay and bounties).	19,918,635 43
<hr/>	
Total disbursements .....	38,782,144 82
Amount refunded to Treasury .....	48,948 37
Balance in hands of paymasters June 30, 1869 .....	3,633,667 01
<hr/>	
Total .....	42,464,770 20
<hr/>	

At the date of my last annual report there still remained in service eighteen additional (volunteer) paymasters, retained for the payment of bounties to discharged volunteer soldiers.

Congress, by an act approved March 3, 1869, authorized and directed the transfer, from this office to the Second Auditor of the Treasury, of all additional bounty claims pending and unsettled on the 1st day of May following. After that transfer was accomplished it became practicable to dispense with the services of additional paymasters, and they were accordingly honorably discharged.

There remain in service now only the sixty regular paymasters authorized by the act for the reorganization of the army, passed July 28, 1866. This force, as I had occasion to remark in a former report, cannot with safety be subjected to much reduction while the number of military stations shall remain as they are now, numbering two hundred and eighty-nine, scattered over vast territories, from Maine to the Gulf of California, from Alaska to the Gulf of Mexico, very many of them at points slow, tedious, and dangerous of access. The very considerable reduction in the line of the army, through the process of consolidation recently made, unaccompanied as it has been by any material diminution of the number of military posts, admits of no corresponding reduction in this department. It is not at all the number of troops, but rather the number of isolated garrisons, penetrating far into the wild, unsettled districts, which creates the demand and gives busy employment to so many paymasters.

In view of propositions which have been the subject of inquiry and discussion during the past year, looking to the feasibility and economy of a consolidation of this with some one or more of the other staff departments of the army, it may be expected that in an official communication of this character I should make some reference to the subject. I deem it quite sufficient in this connection to refer you respectfully to my annual report of last year, wherein are set forth and discussed the facts most directly pertinent to this question. After another year added to my large experience and practical familiarity with the organization and workings of the pay department, having given the subject careful consideration, with a dispassionate review of all the arguments that have been or can be urged in favor of such consolidation, I am only the more confirmed in the opinions and deductions embraced in that report; and I dismiss the subject by reiterating what I then asserted was a demonstrated conclusion, to wit: *That no system can be devised which, equal to the present one, can be made to combine the advantages of prompt payment to the troops, the safety of the public money, an accurate and immediate accountability, with the slightest possible liability to embezzlement or defalcation, and with the least cost to the government.*

The army during the year has been paid with satisfactory promptness and regularity, entitling the officers of the department to continued high commendation for the zealous performance of their duties, in many cases



arduous and difficult, sometimes associated with great hazards to life and money.

## CLERKS OF THE DEPARTMENT.

My last report showed a reduction of these to sixty-five clerks of the various classes, which number is provided for by the appropriations for the current year; but, it having been ascertained by the Secretary of War that the appropriations of other bureaus of the War Department were insufficient for the compensation of their needed number of clerks, I determined at that time, (about the close of the last fiscal year,) that, by condensing the work of this office, its labors having been diminished beyond former expectation, I could dispense with the services of nine clerks. I reported the fact to the Secretary and placed that number at his disposal for discharge or transfer, as he might order. Thereupon, that officer directed the transfer of nine clerks from this to other bureaus, though still to be borne on the rolls of this office and paid out of its appropriations for the current year. The actual number of clerks, therefore, employed in the work of this bureau is fifty-six.

## RECONSTRUCTION DISBURSEMENTS.

Below is a tabular statement showing from April 10, 1867, (the date of my assignment to the charge of these disbursements,) to the second of the present month, the amounts of the several appropriations and the sums received from fines and refundments, together with the disbursements of the same and the balances remaining:

*Statement showing the appropriations and disbursements for reconstruction.*

	1st dist.	2d dist.	3d dist.	4th dist.	5th dist.	Total.
<b>Appropriation of March 30, 1867</b> .....	\$69,444 45	\$69,444 44	\$97,222 22	\$97,222 22	\$166,666 67	\$500,000 00
<b>Appropriation of July 19, 1867</b> .....	130,000 00	225,099 21	78,114 79	367,612 55	195,173 45	1,000,000 00
<b>Appropriation of February 13, 1868</b> ...	50,000 00	110,000 00	97,000 00	150,000 00	250,000 00	657,000 00
<b>Appropriation of June 3, 1868</b> .....			87,701 55			87,701 55
<b>Appropriation of July 25, 1868</b> .....	99,000 00	142,898 25	15,000 00	128,200 00	125,000 00	510,098 25
<b>Total appropriation</b> .....	348,444 45	547,441 90	375,038 56	743,034 77	740,840 12	2,754,799 80
<b>Am't in treasury to credit of Int. Rev. Department for tax collected</b> .....	4,265 37	4,601 50	5,908 36	6,533 78	13,948 63	34,557 64
<b>Amount received from treasury</b> .....	344,179 08	542,840 40	369,830 90	736,500 99	726,691 49	2,720,242 16
<b>Am't rec'd from fines and refundments</b> .....	661 03	9,271 14	1,977 54	236 82	34 60	12,183 13
<b>Total</b> .....	344,842 11	552,111 54	371,807 74	736,737 81	726,926 09	2,732,425 29
<b>Transferred—from 2d and 3d districts to 1st, 4th, and 5th dist's</b> .....	96,916 64	119,000 00	29,791 64	31,675 00	20,000 00	
<b>Total to be accounted for</b> .....	441,758 75	433,111 54	342,016 10	768,412 81	746,926 09	2,732,425 29
<b>Disbursements for reconstruction expenses</b> .....	410,798 50	418,379 00	330,507 70	746,738 96	706,869 21	2,613,293 46
<b>Disbursements on account of internal revenue tax collected</b> .....	2,778 09	1,319 90	166 58	2,150 50	2,072 97	8,488 04
<b>Balance in hands of paymasters October 2, 1869</b> .....	28,122 07	13,412 64	11,341 82	19,723 35	37,983 91	110,643 79
<b>Total accounted for</b> .....	441,758 75	433,111 54	342,016 10	768,412 81	746,926 09	2,732,425 29

## ADDITIONAL BOUNTIES.

In accordance with the requirements of law, all claims for the additional bounties granted by the act of July 28, 1866, remaining in this office unsettled on the 1st of May last, were transferred to the Second

Auditor of the Treasury for settlement. Of the total number (441,959) of these claims received, there were examined and settled, by this office, 440,608, leaving for transfer to the Auditor but 1,351 cases, of which the major part had been examined and determined, but not yet paid for want of receipted vouchers from the respective claimants.

The total amount of disbursements by this department for the additional bounties, including those settled and paid direct, and those settled by the Second Auditor and paid by this department on treasury certificates, from the beginning to the 30th of June last, is \$57,220,150.

All of which is respectfully submitted.

B. W. BRICE,  
*Paymaster General*

The ADJUTANT GENERAL of the Army.

## REPORT OF THE CHIEF OF ORDNANCE.

WAR DEPARTMENT,  
*Ordnance Office, October 19, 1869.*

GENERAL: I have the honor to submit the following report of the principal operations of the Ordnance Department during the fiscal year ended June 30, 1869, with such remarks and recommendations as the interests of that branch of the military service seem to require:

The fiscal resources and disbursements of the department during the year were as follows, viz:

Amount of appropriations in treasury June 30, 1868..	\$14, 647, 209 87
Amount in government depositories to the credit of disbursing officers on same date.....	1, 132, 030 31
Amount of deposits in treasury not reported to the credit of the appropriations on same date.....	149, 924 73
Amount of appropriations from June 30, 1868, to June 30, 1869, including the fixed annual appropriations for arming and equipping the militia.....	981, 680 00
Amount received since June 30, 1868, on account of damages to arms in hands of troops, from sales of arms to officers, and condemned stores, and from all other sources not before mentioned.....	1, 372, 967 66
Total.....	18, 283, 812 57
Amount of expenditures since June 30, 1868*.....	\$2, 787, 324 97
Amount turned into the "surplus fund".....	1, 000, 000 00
Amount of deposits in treasury not reported to the credit of the appropriations.....	701, 751 91
Amount in government depositories to credit of disbursing officers on June 30, 1869.....	425, 529 25
Amount of appropriations in treasury on same date..	13, 369, 206 44
Total.....	18, 283, 812 57

\*Of this sum over \$500,000 is for settlement of war claims, and about \$32,000 for cartridges made for Navy Department, which has not been refunded yet.

The estimate for the next fiscal year, which has heretofore been submitted, was carefully prepared, and, as indicated by the remarks and explanations accompanying it, included only such objects as were and are deemed to require early attention. These explanations refer to each item of the estimate, and point out the specific manner in which each amount is to be applied.

The expenditures at the arsenals during the past fiscal year were reduced as much as was consistent with economy and a due regard to the requirements of the service; and the operations thereat, exclusive of the care and preservation of the large quantities of ordnance and ordnance stores on hand in the department, were limited to the manufacture of such supplies only as were required to meet the current wants of the service.

In my last annual report I stated that twenty-seven arsenals were in charge of this department. Since the date of that report the lands and buildings which constituted Liberty Arsenal, at Liberty, Missouri, have been sold in pursuance of the act of Congress approved July 25, 1868. The sum realized from this sale was \$8,012 50.

As soon as the use of the St. Louis Arsenal, at St. Louis, Missouri, can be dispensed with by this department, it also will be disposed of under authority of the above act. A large quantity of arms and other ordnance stores have been removed therefrom, and other measures taken preparatory to the abandonment and sale of the place. As some of the buildings may be used advantageously for general army purposes, I respectfully recommend that the block upon which are situated the officers' quarters and the main arsenal building be reserved from sale and turned over to the Quartermaster's Department as soon as they can be given up by the Ordnance Department. If additional legislation is necessary to authorize this to be done, it should be requested of Congress.

The sale of the Harper's Ferry Armory property, under the act approved December 15, 1868, is advertised by this department to take place on the 30th of November, 1869.

At the end of the war certain captured lands, buildings and machinery, at Shreveport, Louisiana, Marshall and Jefferson, Texas, and in Marion and Davis counties, Texas, were turned over to this department, and a great portion thereof is still held by it. The movable property, together with certain buildings, which, by the terms of sale, were required to be removed from the land, has all been sold. As it is not probable that the land and remaining buildings will be needed for the purposes of the Ordnance Department, and as they are now held by it at some expense, without any benefit whatever, it is respectfully recommended that measures be taken to dispose of the same in such manner as may be deemed proper.

A number of small arsenals, which were established many years ago in various parts of the country, and which, at the time, were necessary as depots for ordnance and ordnance stores, have, by reason of the rapid means of transportation of modern times, ceased to be necessary or useful. The maintenance of them is a considerable expense to this department, and they should, in my opinion, be discontinued, and the lands and buildings sold. I would, therefore, recommend that authority be obtained from Congress to dispose of the following arsenals, being those which can be most easily dispensed with at the present time viz: Rome Arsenal, at Rome, New York; Champlain Arsenal, at Vergennes, Vermont; Mount Vernon Arsenal, at Mount Vernon, Alabama; and Appalachicola Arsenal, at Chattahoochee, Florida. The North Carolina

Arsenal, at Fayetteville, North Carolina, was destroyed by our troops during the war, and as it should not be rebuilt, and as the land will not be required for the use of this department, its sale is also recommended. Other small arsenals may be dispensed with in a short time, and their sale will be recommended hereafter.

Besides the small arsenals of deposit and repairs needed in the Ordnance Department, there are also required three principal "arsenals of construction and deposit," and three depots for the storage of powder. A principal arsenal of construction and deposit, and a powder depot, should be established on the Atlantic coast, and the same in the valley of the Mississippi and on the Pacific coast.

There are several large arsenals on the Atlantic coast, but none of them have as much land attached to them as would be required for such an arsenal as the Atlantic coast demands; and as all of them are in the immediate vicinity of, or are surrounded by, large cities, it will not be practicable to enlarge any one of them. The sites of these arsenals now exceed in value many times the original cost to the United States of the lands and improvements; and it is worthy of careful consideration whether some of them should not be sold, and the proceeds applied to the purchase of a site and the erection of the buildings of the principal "arsenal of construction and deposit" for the Atlantic coast, as above suggested. This, of course, is a question which can only be decided by Congress.

Rock Island, in the State of Illinois, is eminently suitable for the principal arsenal of construction and deposit for the Mississippi Valley, and the government owns all the land that is required for a first-class armory and arsenal. The arsenal at that point is being built upon a scale commensurate with its great importance. Two of the principal workshops are now in progress, the walls of one being finished and those of the other nearly so. The iron bridge connecting the island with the city of Rock Island has been completed. The construction of the railroad bridge across the main channel of the river, between the city of Davenport and the island of Rock Island, has been transferred to the Engineer Department. The development of the water power has been continued as rapidly as was practicable; but the frequent rains and unprecedented high water in the Mississippi River during all of the present season, has delayed and embarrassed the work, and caused considerable loss to the government.

Benicia, in the State of California, was selected some years ago as the proper site for a large arsenal of construction, and some extensive permanent buildings have been erected upon the land belonging to the Ordnance Department at that place. I am unable, with my present information, to say whether Benicia is the proper position for a large arsenal of construction and deposit. The recent completion of the Pacific railroad, and the projected lines of intercommunication north and south of it, may make another point more suitable for such an establishment. The question should be decided as soon as practicable, and measures should then be taken to build, without delay, such an arsenal of construction and deposit as the wants of the Pacific coast demand.

A proper site for an eastern powder depot is greatly needed. It should be within fifty or an hundred miles of the city of New York, and near the line of the Erie railroad, or some other line connecting with all parts of the Atlantic coast. Not less than two thousand five hundred acres of land are required for this depot, and it should be located in a region of country which will admit of being only sparsely settled. A site in the mountains of New Jersey, within forty miles of the city of

New York and five miles of the Erie railroad, possessing all the requirements of a powder depot, was selected some years ago by a board of officers appointed by the Secretary of War. No steps to purchase the property were ever taken. I would recommend, therefore, that Congress be requested to authorize the Secretary of War to select and purchase suitable sites, and establish powder depots on the Atlantic and the Pacific coasts, and to pay for the same out of the unexpended balance of the appropriation for the "purchase of gunpowder and lead."

The Jefferson Barracks reservation, below St. Louis, is an admirable site for the powder depot for the Mississippi Valley, and is now used as such. Some permanent buildings, such as quarters for officers and enlisted men, and laboratories, should be built upon this reservation; and it is recommended that a part of the proceeds of the sale of the St. Louis Arsenal be made applicable to that purpose.

The number of enlisted men of ordnance authorized has been reduced from 1,500 to 750. They are organized into companies or detachments, and are stationed at the various arsenals and at the West Point Military Academy. Some of them are employed in the workshops, magazines and laboratories, as mechanics and laborers, and the residue perform guard, police, and other military duties at the arsenals.

The number of officers of the department has been reduced by casualties during the year from 64 to 61; and the number of ordnance storekeepers has been reduced by the retiring of one of them. The number of the latter is still one greater than was fixed by the act of July, 1866. Four officers of the department are on detached duty, serving on the staffs of general officers, and two are on duty at the Military Academy, leaving 55 for duty in the department.

A temporary depot for ordnance supplies for troops serving on the frontier has been established at Cheyenne, on the Union Pacific railroad, in Wyoming Territory. The buildings of the post are of a temporary character, and were erected by the Quartermaster's Department. One of them has been converted, at the expense of this department, into a magazine for the storage of ammunition. I recommend the establishment of a small permanent ordnance depot at or beyond Cheyenne; and request that an appropriation, not exceeding \$20,000, for the purchase of a site and the erection of the necessary buildings, be asked of Congress. This item is not included in the estimate for the next fiscal year, which has been submitted to you.

The operations at the Springfield Armory have been chiefly confined to fabricating the necessary machines, tools and fixtures required for converting the Springfield rifled muskets into breech-loaders, upon the plan recommended by the Ordnance Board in January, 1868, and approved by the Secretary of War; to the conversion of a small number of muskets, in execution of the order given by the Secretary of War to alter 50,000 arms; and to cleaning Enfield muskets for sale. The Springfield Armory is now adequate to the conversion of 200 muskets per day of eight hours.

The cavalry have been supplied with Spencer carbines, or with Sharp's carbines altered to receive the musket metallic cartridges, caliber .50. About 30,000 of these latter arms have been altered. The Spencer carbine at the end of the war was generally regarded with favor, and as being the best arm that had been in service, and it continues to be regarded as a superior arm by the cavalry. The altered Sharp's carbine gives great satisfaction, and is preferred by some of the cavalry regiments to the Spencer. In some respects—particularly in the ammuni-

tion, which is the same as the breech-loading musket ammunition—it is decidedly superior to the Spencer carbine.

All the infantry, heavy artillery, and engineer troops have been furnished with the Springfield breech-loading rifled musket; many of them have had these arms for more than two years. The reports from the different branches of the service in all parts of the country have been highly favorable to this arm and its ammunition. The slight defects developed in the arm by long usage in the field have, from time to time, been reported to the bureau. The new model arms now being made at Springfield Armory, it is thought, will be free from any and all the defects heretofore found. In comparison with other breech-loading arms, it is confidently believed that this new pattern musket, and the ammunition for it made at the Frankford Arsenal, will stand unsurpassed. The caliber (.50 of an inch) is greater than has been adopted by some European nations, but it is considered that a further reduction of caliber than we have made would be unwise.

I reported two years ago that "The chief difficulties which this department had to contend against in producing a good breech-loading musket, have arisen from the impossibility of making any improvement which is not immediately claimed under some one of the many patents which have been granted for improvements in fire-arms, and from the extreme eagerness and strong efforts of some inventors, and all other parties interested in patents, to have their improvements used by the government. Many persons claim to hold patents for improvements which are used in the conversion of the Springfield muskets; in some instances several parties have claimed to hold patents for the same thing, and it is believed that every improvement is claimed by more than one inventor. The bureau has declined to acknowledge the validity of any patents for improvements used in the conversion of the Springfield rifled musket, knowing that it was not competent for it to decide the question, and believing that the proper course for patentees to take was to establish satisfactorily the validity of their claims, and then apply to Congress for compensation for the use of the patents."

These difficulties have continued to embarrass this department, and to affect injuriously the interests of the government; and it is respectfully suggested, whether a law may not be devised, which, while affording protection to all inventors in the rights secured to them by patents, will enable the government to use unrestrictedly any improvement which it may be desirable for it to use. I have no desire to see any inventor deprived of any of his rights, without just compensation; but I am so fully convinced that some law protecting the government against improper claims of inventors and owners of patents should be passed, that I feel it my duty to bring the matter particularly to your notice, in the hope that something may be done to secure so desirable an end. Such a law would relieve this department of much annoyance and embarrassment, and would tend, in my opinion, to increase to a considerable degree the efficiency of the public service.

It is respectfully suggested that a law be passed which will authorize officers in charge of public works to make use of all inventions, or improvements whatever, applicable to the work under their charge; and which will provide that when a claim for damages is made by any person for an invention or improvement so used, at least \_\_\_\_\_ days' notice shall be given, requiring all parties claiming said invention, or improvement, to present their claims, with the evidence in support of the same, to some special judicial tribunal authorized to try the same, whose duty it shall be to decide who is the party entitled to damages or

remuneration, and to fix the amount which should be paid by the United States for the use of the invention or improvement; their decision to be final, so far as the United States are concerned; and the amount declared to be due from the United States to be paid out of the appropriation for which the work done is paid.

#### HEAVY GUNS.

The attention of this department has for some years been directed to the procurement of suitable ordnance for our sea-coast fortifications; and earnest and unceasing efforts have been made to obtain the most effective and reliable guns that could be made.

At the breaking out of the late war, the armament of the forts was imperfect and incomplete, and the defenseless condition of our sea-coast was not unappreciated by the people at large. The State of Massachusetts, within one year after the breaking out of hostilities, took measures to place her coast in a better state of defense, and being unable to procure guns for the purpose in this country, (owing to the enormous demands of the national government on all the founders then capable of making guns,) she sent an agent to Europe, who purchased a large number of sea-coast guns, greatly inferior to our own, but still the best that could be produced in Europe at that time.

Previous to the breaking out of the war, a smooth-bore gun, of fifteen inches caliber, had been cast for experimental purposes, and had been tested by firing it five hundred rounds, with charges of powder, varying from thirty to fifty pounds and a shell. This experiment at the time was something far in advance of anything that had ever been attempted in this country or Europe, for increasing the power of heavy ordnance.

A board of distinguished officers of engineers, artillery and ordnance, appointed in November, 1861, by the Secretary of War, to "regulate and fix the number and caliber of the cannon to be mounted, in casemate and barbette, at each of the permanent fortifications in the United States," recognizing the value of this gun when fired with fifty pounds of powder and a shell, recommended its introduction into the service, and their recommendation was approved by the Secretary of War. From that time until January, 1867, guns of this caliber were purchased by this department for arming the forts, and two hundred and ninety-five of them have been procured.

In January, 1867, a board of engineers, ordnance and artillery officers, was appointed by the Secretary of War to determine the caliber and number of each caliber, and the proportion of rifled to smooth-bore guns which would probably be required for the armament of fortifications. This board unanimously recommended that the guns to be hereafter procured should be 13-inch, 15-inch, and 20-inch smooth-bores, and 10-inch and 12-inch rifles; and reported that 829 smooth-bores, 810 rifles, and 300 mortars would be required in addition to the guns already on hand. This report and recommendation received the approval of the Secretary of War *ad interim*. None of these guns have been provided.

The smooth-bore sea-coast guns which have been made for this department since 1860 have been cast hollow, and cooled from the interior, upon a plan devised and patented by T. J. Rodman, an officer of the Ordnance Department. The patent has now expired. The superiority of this method of casting heavy guns, to that of casting them solid, has been fully established by repeated comparative trials, and its great value is recognized and acknowledged everywhere in this country, and in Europe, by artillerists and other scientific men; and there is

scarcely one intelligent person, who has considered the two methods, who entertains a doubt as to the great superiority of the hollow over the solid method of casting heavy guns. I do not believe a sound casting for a 15-inch gun could be made solid.

These hollow-cast guns cost the government as little per pound, or per piece, as the solid cast guns, which were purchased at the same time for the naval service.

The successful introduction of monitors, and iron-plated ships, into the navies of some of the great maritime powers, created a necessity for increasing greatly the power of our sea-coast guns, and, impressed with a belief that our 15-inch guns were capable of enduring with safety a much greater strain than they had ever been subjected to by firing, I directed some trials to be made at Fort Monroe Arsenal, for the purpose of ascertaining how great a charge might be fired with safety in guns of this caliber. The charge in this firing was gradually increased until it reached 100 pounds of powder, with a solid shot weighing 450 pounds. Several rounds were fired with this charge, without causing any appearance of injury to the gun. The maximum pressure per square inch of the surface of the bore, as measured by the pressure gauge, indicated that the strain was not greater than the gun could bear repeatedly for a considerable number of rounds. This charge, viz: 100 pounds of powder, and a shot weighing 450 pounds, was then fixed upon by this bureau as the maximum charge for the 15-inch guns, and 18 of them have been fired with this charge; the smallest number of rounds fired from one gun being 2, and the greatest number 164. The gun which was fired the greatest number of times with this charge has also been fired 150 times with charges varying between 40 and 90 pounds of powder, and a shot weighing 450 pounds. A considerable number of shots with the maximum charge were fired with the greatest possible rapidity—faster, it is believed, than these guns will ever be fired in action. Not one of these 15-inch guns appears to have been injured in the slightest degree by the firing. The initial velocity impressed upon the shot by 100 pounds of powder was found to be about 1,500 feet per second.

The enormous power of the 15-inch guns was fully exhibited at Fort Monroe and Fort Delaware last fall, where casemate and barbette embrasure targets, built of the strongest masonry, and protected by iron shields of great thickness, intended to resist the heaviest projectiles, were demolished by a small number of shots.

In order to ascertain how many rounds might be safely fired from the 15-inch guns, the Secretary of War directed that three of them, (one made at each of the foundries,) should be proved to extremity with the maximum charge; and preparations are being made accordingly at Fort Monroe Arsenal for the firing.

The Rodman smooth-bore guns are believed to be perfectly safe and reliable; and, with the exception of the 20-inch, the 15-inch is the most powerful gun at all ranges within 1,000 yards that has ever been fired. But one Rodman smooth-bore gun has ever burst with any charge of powder. That was a 13-inch gun, which had been fired 738 times, with large charges of quick burning powder, not suitable for guns of this caliber, and which gave enormous pressures in the bore without the corresponding velocities to the projectiles. The last five pressures were three times as great as they should have been, and the initial velocity of the shot, when the gun burst, was more than 300 feet less than it should have been, if the same quantity of the proper kind of powder had been used.

Two 15-inch navy guns, cast hollow upon the Rodman plan, had their



muzzles blown off at Fort Fisher. They differed widely in form from the Rodman army model, being three feet shorter, and having less than half the thickness of metal at the muzzle than the Rodman gun has at the same distance from the bottom of the bore.

A number of 15-inch navy guns, which were cast upon the Rodman plan, were fired several hundred times in action during the war, with 60 pounds of quick-burning powder and solid shot. None of them burst or sustained any serious injury, except the two which had their muzzles blown off at Fort Fisher, and it may be safely asserted that all of them are perfectly serviceable.

#### RIFLED GUNS.

When the board which was appointed in January, 1867, to fix the armaments of the fortifications, recommended that no other rifled guns than 10-inch and 12-inch calibers should be thereafter procured, and reported that 600 10-inch and 210 12-inch rifles would be required in addition to the guns on hand to arm the forts, no 12-inch rifle had ever been made for actual service in any country; and only a few 10-inch Parrott rifles had been made, and their fitness for service had not been established. An experimental 12-inch cast-iron Rodman rifle gun had, however, been made for the Ordnance Department, and fired several hundred times without apparent injury. No manufacturer in this country was prepared to make 12-inch rifle guns of any other material than cast iron. An attempt to make one of wrought iron had resulted in a heavy loss to the manufacturer and to the government. No cast-steel rifled gun of large caliber had been made in any country to stand a satisfactory proof; and it was not known that any reliable wrought-iron heavy rifled guns had been made to give anything like *uniform* endurance. A manufacturer in this country had made fifteen 7-inch rifled guns of wrought iron for the government, three of which had burst in proof, one enduring about 730 rounds before bursting; a second bursting at the eighth fire; and a third at the first fire; and all exhibiting serious defects in manufacture which could not have been discovered upon inspection before proof. These failures convinced me that heavy wrought-iron rifled guns, made as they had been made, could not be relied upon. Their cost was seven or eight times greater than the cost of cast-iron guns of the same caliber, and the results with them were not so good as those which had been obtained with cast-iron guns.

Shortly after the adjournment of the board in 1867, a requisition was made upon the department for some heavy rifled guns. None were on hand, and I declined to recommend the purchase of any for issue. I was unwilling to purchase any guns for service but such as should prove themselves to be suitable and reliable. Recognizing the great value of rifled guns of large caliber, especially for ranges exceeding 1,000 yards, and anxious to procure them for the forts, I recommended that two or three 10-inch and 12-inch cast-iron rifles should be purchased and tested for endurance in order to determine whether reliable rifled guns of large caliber could be made from cast iron. My recommendation received the approval of the Secretary of War *ad interim*, and the guns have been procured and are on hand. I believed, when I made the recommendation, that rifled guns of more uniform endurance could be made of cast iron than of any other material, and that no experimental gun of any other material could be made in this country except at an enormous expense. These considerations induced me to recommend the purchase and trial of cast-iron rifled guns only.

Seven cast-iron Rodman rifled guns have been procured by this department, viz: three 12-inch guns, one 10-inch gun, and three 8-inch guns; and they were altogether experimental in their nature. They have been tested as follows:

One 12-inch rifle, fired 472 rounds, and burst; the fracture beginning near the muzzle, and evidently caused by the wedging of the projectile. One 12-inch rifle, fired 13 rounds, still serviceable. One 12-inch rifle, fired 2 rounds, still serviceable. One 10-inch rifle, not fired. One 8-inch rifle, fired 1,047 rounds, and burst. One 8-inch rifle, fired 80 rounds with flanged projectiles, and burst. One 8-inch rifle, fired 816 rounds, still serviceable.

It is not known that any 12-inch or larger rifled guns have ever endured as severe proof or performed as much work as the 12-inch rifle which burst at the 472d round. So far as I have been able to learn, one 11-inch cast-steel Krupp gun has been fired 400 times with prismatic powder, which strains the gun much less than the mammoth powder used in our guns, and is still serviceable. No information respecting the firing of the English 12-inch wrought-iron or wrought-iron and steel guns has been obtained, except from the newspapers; and I have not learned from them that any 12-inch English rifled gun has endured as severe tests as our 12-inch cast-iron guns.

The "lifetime" of any class of guns is the least number of rounds any gun of that class will endure; and hence the importance of having the greatest possible uniformity in the quality of the materials of which the guns are composed. A class of guns, all of which will safely endure the limit of 500 rounds, is really to be preferred over a class some of which will endure 400 rounds and others 4,000 rounds. In this respect the efficiency of the wrought-iron guns made for this department fell far below that of the cast-iron rifled guns.

With this information before us it would be unwise to abandon cast iron for heavy rifled guns without making further trials to determine whether reliable rifle guns can be made of it.

Willing to offer proper encouragement to any manufacturer who might assert or believe that he could make heavy rifled guns of wrought iron, which would be superior to cast-iron guns, I made the following recommendation, in submitting to the Secretary of War the proceedings of an ordnance board in March, 1868:

"Believing that the importance and value to the nation of reliable rifle guns of large caliber are sufficient to justify the expenditure of a large sum of money in experiments to determine the best material and mode of manufacture for such guns, I concur with the board in recommending the procurement of one 10-inch and one 12-inch cast-iron rifle, lined with steel, to be tested by firing them to extremity.

"I also recommend the procurement of one 10-inch or 12-inch wrought-iron rifle, (the 12-inch preferred,) from any manufacturer who will agree to furnish it within a reasonable time, to be tested in comparison with a cast-iron rifle of the same caliber, upon the following conditions, viz: The United States to pay for the gun upon acceptance, after inspection and proof, the same sum that shall be paid for a cast-iron rifle of the same caliber after inspection and proof, and such additional sum, not exceeding eighty-five cents per pound, as may be adjudged by a board of officers to be due, after the two guns shall have been fired to extremity. The two guns to be fired with equal charges of the same kind of powder, and with projectiles of the same kind and weight.

"The money value of the wrought-iron gun to be determined upon the following basis, viz:

"If its *verricable* endurance shall prove to be double that of the cast-iron of the same caliber, the price to be double; if twice and a half greater, the price to be treble; and for each additional fifty per centum of endurance over that of the cast-iron gun an additional sum equal to the cost of the cast-iron gun. It being understood that whenever the bore of either gun shall be cut away or enlarged by the action of the powder to such an extent as to increase any diameter of the bore five-tenths of an inch, the gun shall be regarded as unserviceable. Should the manufacturer prefer to line the gun with steel, he is to be paid the same price for the lining that may be paid for lining the cast-iron gun of the same caliber which has been recommended to be made; this latter amount to be paid upon the acceptance of the gun after inspection and proof."

This recommendation received the approval of the Secretary of War. No person has proposed to make a wrought-iron gun upon the conditions expressed in my recommendation.

This bureau also, in January, 1869, recommended the purchase of a cast iron 10-inch rifled gun, made in conformity with a plan which the inventor and patentee claimed would give to the gun extraordinary powers of endurance, upon the following conditions, viz:

1st. "The iron for the one gun shall be furnished by the government.  
2d. That he shall be paid the same price for the gun that is to be paid for the 10 inch rifle now ordered, and the actual cost of transporting it to Fort Monroe, as soon as it shall have been shown that its endurance is equal to that of the Rodman rifled gun. The price to be double that of the Rodman gun, if its endurance shall be one-half greater. • • •  
The guns to be fired alternately with the same kind and quantity of powder and with projectiles of the same weight. The competitive trial to cease whenever either gun is pronounced unserviceable by a board of officers appointed by the Secretary of War to examine them."

The projectiles for the trial were to be furnished by the inventor, who was to be paid a fair price for them, to be agreed upon by him and the department. It was also recommended that should he decline accepting the proposition as above set forth, he should be invited to submit his plans and theories to the Secretary of War, to be examined and reported upon by a board of officers. No communication has been received from him since.

An offer to furnish a 10-inch cast-steel rifled gun of foreign manufacture, in exact accordance with the conditions expressed in the recommendation made by me in submitting the proceedings of the Ordnance Board in March, 1868, was recently made to this bureau, and submitted, with other offers, to you for consideration. In submitting these papers, I took occasion to express quite fully my views on the subject of rifled guns of large calibers, and recommended that authority should be given to this bureau to offer to purchase for purposes of experiment from each of the parties who had offered to furnish heavy rifled guns one 10-inch or one 12-inch gun, upon the conditions expressed in the recommendation made by me in submitting the report of the Ordnance Board. I respectfully call attention to the remarks upon rifled guns of large calibers contained in my communications of September 20 and October 8, 1865.

The following statements are appended hereto, marked, respectively, A to E inclusive, all for the year ended June 30, 1869, viz: Statement of articles procured by purchase and fabrication at the arsenals, from appropriations for "armament of fortifications," and "ordnance, ordnance stores and supplies," apportionment to the States of the appropriation for "arming and equipping the militia," under the act of 1808; issues

of ordnance, arms, and other ordnance stores to the militia, under the act of 1808; issues of ordnance and ordnance stores to the army and to posts; and, reports of principal operations at the arsenals.

I have the honor to be, very respectfully, your obedient servant,  
A. B. DYER,

*Brevet Major General, Chief of Ordnance.*

Brevet Major General E. D. TOWNSEND,  
*Adjutant General United States Army.*

## REPORT OF THE INSPECTOR OF THE MILITARY ACADEMY.

WAR DEPARTMENT,  
OFFICE OF THE INSPECTOR OF THE MILITARY ACADEMY,  
*Washington, October 30, 1869.*

MR. SECRETARY: Since my last annual report on the condition of the Military Academy, 70 new cadets, possessed of the qualifications required by law, have been admitted, and 39 cadets, having completed the prescribed course of study and instruction, and passed a satisfactory examination before the Academic Board and the Board of Visitors, have been graduated and appointed second lieutenants in the artillery and cavalry arms of the service.

It is a matter of regret that in consequence of the enactment of March 3, 1869, prohibiting among others any further appointments in the corps of engineers and ordnance, the strongest of the incentives offered to the cadets for excelling in the higher studies and deportment has been for the time being taken away, and that it has become impracticable to fully crown the meritorious labors during four continuous years of the distinguished graduates of the class, or to secure to the government their services in what have been considered the more elevated branches of the profession.

Assured that every officer so assigned could be advantageously employed, I am induced to recommend that the law referred to be so far modified as to authorize the appointment of graduates of the Military Academy to any vacancies in the grade of second lieutenant of engineers and of ordnance.

Of the candidates who have presented themselves for admission during the past year, one-fourth being found deficient in the branches of study of which a knowledge is made requisite for admission, were necessarily rejected. Further reference to this fact will be made in this report.

There are now 248 cadets at the Academy. This number, even when increased to 290, the utmost limit allowed by existing law, would be much below the anticipated future wants of the peace establishment—an establishment which, with an average strength of 10,000 enlisted men at a period between the close of the Mexican war and the outbreak of the late rebellion, yearly absorbed the average number of forty graduates, besides drawing to some extent on the enlisted force and the ranks of civil life for its officers. With only that strength (small in comparison with the present and the possible future establishment) to provide for, it was, ten years ago, the expressed opinion of competent persons, aware of the proportion between the yearly list of graduates and the annual casualties of the army, that the number of cadets should be largely increased; some even advocating a doubling of the then existing number. If necessary at that time, it is far more necessary now, when the army has reached a much greater strength. In this connection I would

again ask attention to the following extract, from the report of the Secretary of War *ad interim* and General of the army, for 1867:

The small regular army sustained by the United States prior to 1861 was kept well supplied with officers educated at the national Military Academy. After the rebellion, however, it was found necessary to increase this standing force. . . . The war educated soldiers could fill the judicious selections thus increase to the army, but not to keep up the supply. The original vacancies created by this increase of the army are now filled, and appointments hereafter to fill vacancies must go in at the foot of the army register. For this reason, the time has passed, or soon will, when efficient volunteer soldiers recruited in the rebellion will be willing to accept such positions; or, if willing, will be of an age making it inadvisable to accept them. While the army has been so much increased, no addition has been made to the number of cadets admitted at West Point. I would now respectfully recommend an increase to the full number that can be accommodated without additional buildings. The present number of cadets is limited by the number of representatives and delegates in the lower houses of Congress, and for the next year appointed by the President. Four hundred cadets can be accommodated without increase of expense to the government further than the pay to the additional number.

Also to the following, from the Inspector's last annual report:

I do not propose again to ask attention to the frequent recommendations of successive boards of visitors, and to the earnest recommendations of the General of the army, while Secretary of War *ad interim*, for an increase in the number of cadets. The Military Academy at this time can educate four hundred cadets, with no additional expense beyond their support. The necessity for an increased number of specially educated officers is familiar to all familiar with the subject. This necessity will not diminish in the future. Various schemes, designed in part to supply this need, are proposed and even received with favor. These schemes are all more expensive, and more or less remote and uncertain in their value to the nation. In view of the foregoing considerations, it is an imperative duty to make known to the government the means already here at disposal for supplying its wants with greater certainty and at much less cost than can be effected by any new method, however attractive it may at first appear.

In leaving this branch of the subject, I invite attention to the fact that whatever be the number of graduates, the number that can be attached to the army is limited by law; and that limit varies with the strength of the regular force kept in service. If, therefore, by future enlargements of the Academy, or reductions of the army, the number of graduates should at any time exceed the legal vacancies, no supernumerary officers would need to be maintained, as the surplus graduates could be annually remanded to civil life until the cadets were gradually reduced to a suitable proportionate number.

The estimates for the next fiscal year have already been submitted. Considerations of strict economy having governed their preparation, it is believed they will bear the thorough scrutiny which is invited for them.

I submit herewith the report of the Board of Visitors, a brief synopsis of which has already been published, and which has awakened a greater and more general interest than has been manifested in any previous report. Having been present at West Point while the board were engaged in their labors, I can state from personal knowledge that their exposition of facts and expression of opinions are based upon a very patient and independent investigation, pursued by their own methods and reported from their own standpoint. While the statements of all who offered or were required to make them were accepted by the board, the conclusions arrived at were purely their own.

It is gratifying to learn from the report that the board, like all its predecessors, found so much to admire and approve. And here I would quote the following from the synopsis before referred to:

"The system of discipline prevalent at the Academy is very highly commended. The personal freedom so necessary to the development of strong, self-reliant characters is not impeded by unwise restraint, yet the personal knowledge of the superintendent respecting the habits,

conduct, and capacity of officers and cadets is surprisingly minute, and, without being oppressive or tyrannical, and consequently repulsive, is made to exercise a constant and powerful influence over both. The main purpose of the Academy, to train young men to be safe and successful officers, is ever kept in view, and never subordinated to other ends. No oppression exists on the part of officers, or sense of degradation on the part of the cadets; but a strict and rigorous discipline, justly but kindly enforced, commands even from its subjects cordial obedience. To every duty well performed a value is attached, while acts of neglect and disobedience are charged to the offender, to count against him in the future. The habitual use of the language, forms, and routine of the military service imparts to the future officer, while still a cadet, much knowledge of a part of his future duties. The principles of nationality, love of country, and of high personal honor, are carefully nurtured, and insure to the country patriotic and honest as well as able officers. The list of offenses exhibits a gratifying freedom from malicious disobedience or moral turpitude, carelessness being the principal offense known, now that the skillful and persistent efforts of the authorities have all but obliterated the former offenses of occasional intoxication and persecution of new cadets. The board were pleased with the long-existing practice of reporting the conduct and class standing of each cadet monthly to his friends, but would have been glad to find more evidence that the labors of the academic authorities were seconded by influences from home, and that no cadet is allowed to fall below the measure of his abilities for want of such inspiration, made doubly necessary by his long separation from his family. The introduction and gradual extension of the system of enlarged privileges as a reward for good conduct is declared to be working very well."

The board were likewise gratified with the mode in which (to quote again from the synopsis)—

"Instruction at the Academy is carried on under general direction of the superintendent and the special supervision of the professors, assisted by army officers distinguished for their attainments in the special branches they are severally detailed to teach. The division of the classes into sections, each in charge of an assistant—the professor, proceeding from section to section, imparting the benefit of his riper knowledge to both teachers and taught—produces a uniformity of attainment not otherwise possible, and is declared to be one of the best features in the system. The blackboard illustrations and recitations of the cadets command high praise, and attest their scientific comprehension of their subjects and the faithfulness and ability of their instructors.

"Constant additions to the scientific apparatus are advised, and the collections of illustrations of natural history, zoölogy, and mineralogy being found to be very far below what is required, a plan for their enlargement and improvement is recommended for adoption. The separation of the chaplaincy from the Professorship of Ethics, as an act of justice to both those important offices now languishing from their enforced union, is recommended by the board, as it has been by all their predecessors for many years. The study of the course of ethics has long been distasteful to the cadets, and this important branch has fallen far below its standard; but it is believed that the reorganization proposed would revive and make it popular. The board consider the proposition made to abolish it altogether as inadmissible, but its useful continuance is regarded as dependent upon reorganization. In drawing it is advised that more time be given to drawing from nature by the eye, and less time to mechanical copying. In practical instruction of all kinds, and

both of a military and civil character, gratifying proficiency was observed. An interesting chapter of the report is devoted especially to the signal and telegraph drill; the application of these auxiliaries to military operations, and the almost wonderful combinations of one with the other, as illustrated by the cadets, exciting the admiration of the board. The police of the grounds and buildings, with the exception of a want of underground drainage, is pronounced, after general observation, confirmed by minute examination, to be excellent in every respect.

"The superintendent's administration of the varied concerns of the Academy, zealously aided by his staff officers, is as highly commended by this as by former Boards of Visitors.

"In commenting upon this branch of their inquiry, the board express an opinion adverse to the displacement unnecessarily of any officers in the more responsible administrative posts.

"The fiscal affairs of the Academy are reported upon very favorably. Purchases of supplies seem to have been judiciously made at seasonable times, and consequently at reasonable prices, and the accounts have been kept with scrupulous exactness.

"As the result of their investigations the board find that, considering existing obstacles, wonderful results have been attained."

It was observed by the board during the examinations that, except in the technical terms used in their studies, there prevailed among the cadets a marked deficiency in the choice of words, and even in facility of utterance. To correct this a higher degree of culture in the English language is declared to be exceedingly desirable, and a course of training in logic, composition, and criticism, and the introduction of written in lieu of a part of the present oral examinations, are accordingly recommended.

The advantages of short courses of instruction by lecture in physical geography as connected with military operations, in military hygiene, and especially in civil and military history, are set forth by the board, and will be duly considered by the academic authorities.

Such defects as are found in the Academy are attributed by the board primarily to the low standard of admission, which is alleged to be below the standard of the universities and colleges of our own country by from two to three years' study; while three-eighths of the four-years' term of a West Point cadet are spent in reaching the admission standard of the military schools of France. A further elevation of the standard of admission to the Academy is consequently urged by the board.

In this recommendation I do not concur, unless the system of appointment be so changed as to throw the cadetships open to the *widest possible competition* in each congressional district. Experience proves that except upon this condition no further enlargement of the list of educational qualifications for admission is practicable. The present list embraces all that is attainable by a large majority of the class of youth from which the cadets are mainly drawn, and since the additional requirements of the law of 1866, the average proportion of rejections, for want of sufficient preparatory study or attainment, to the number examined, has increased from fifteen per cent., the ratio before the enactment, to twenty-seven per cent.; and this, notwithstanding the compensating advantage of appointing the cadets a year in advance of the date of admission, whenever practicable, instead of from two to three months in advance, as formerly.

A feature of appointment upon a competitive examination was, indeed, introduced by the law, which called for higher qualifications of candidates; but this provision was of too restricted a

licable a character to promise any hope of improvement, and it was accordingly repealed as soon as its defects were manifested.

In the consideration of this subject it ought not to be forgotten that, desirable as it undoubtedly may be in many respects to exact a higher culture from those admitted into the Academy, every addition to the list of preparatory qualifications must, of necessity, contract the circle from which the future military officers are to be drawn, by diminishing the chances of a successful examination on the part of the more uneducated class of appointees. The adoption, too, of a system of general competition might be likely to result in conferring a monopoly of the appointments upon those in possession of larger means, and, consequently, of better opportunities for acquiring a liberal education than less-favored aspirants, and thus afford more ground, little though it might be, for the imputations of exclusiveness sometimes made against the Academy than has ever yet existed.

Leaving it for superior authority to decide which of these conflicting interests shall hereafter prevail, it may be stated that, even with the exceedingly low standard of admission that obtained until within the past three years, the Academy gave to the army *at large*, apart from any particular corps, a better professionally educated body of officers than is possessed by any European army; while most of the scientific courses, even engineering, were, upon the whole, as highly cultivated as in the best military schools of Europe. This is, perhaps, according to our military school a position which our own people have not generally assigned to it, yet it is but asserting at home what has long been acknowledged abroad.

Respecting the defective utterance of the cadets in their recitations, which has been noticed by others than the late Board of Visitors, and which a course of study such as they propose would assuredly go far to remove if it could be introduced, it may be remarked that it appears to be a defect at least partially remediable by time and experience; for it is confidently believed that but very few graduates are, in after life, unable to express themselves as clearly and intelligibly as the average of educated men, or to distinctly make known to their superiors their desires, claims, services, or operations, whatever be their rank or position in the service. More than this is not required nor expected of a soldier. Their hesitancy in the use of language when cadets is not surprising if it be remembered that their time is chiefly given to study, and that few opportunities are or can be afforded them to acquire, by practice, readiness of speech until they go forth from the Academy and cease to be mere scholars. The board themselves bear testimony to "the intelligence and *readiness* shown by the cadets in recitation and in answering questions;" to "the evidence which they gave of scientific comprehension of the subjects of study;" and "the clearness of conception and *accuracy of statement*" of the young instructors, themselves graduates of the Academy.

I venture the assertion that whenever the defect referred to is *marked*, it proceeds, except in rare instances of natural disability, rather from imperfect knowledge resulting from inadequate study of the subject discussed, and apprehension of failure to do well in the public examinations, than from any other cause.

Finally, in their report (to cite again from the synopsis above mentioned) "The board express the opinion that however nearly the Military Academy may have met the wants of the past, it does not, in view of our national growth, the place we have taken among the nations, and the progress made of late years in the science and art of war, meet the *requirements* of the present as the military school of a great nation,



and that it should be raised to a standard unsurpassed abroad. They therefore recommend that the Academy be greatly enlarged, the number of pupils greatly increased, and two separate courses of study pursued: one in a general class for all the cadets, the other in a special class formed by selection of the best material from the other class; the general class to be limited to a thorough comprehension of the elementary principles of the art of war; but the special class to be limited only by the boundaries of knowledge upon that subject. Other changes are suggested as dependent upon the adoption of this proposed basis of reorganization, reaching, among other things, to a return of a portion of the graduates in each year to civil life, and to an entire change in the system of promotion in the army."

Upon these views I would remark that the Academy has existing accommodations for four hundred cadets, and no enlargement of those accommodations is believed to be required at this time. The question of increasing the number of cadets has already been discussed in this report, and is again commended to consideration.

While the views of the board in regard to a division of the course of study cannot but be regarded as most timely and judicious, it is yet asserted with confidence that the advantages sought can be better, more readily, and more economically secured by other means, which happily are now at hand. I refer to what are known in the service as *Schools of Application*, upon the superiority of which over all other methods to accomplish the results aimed at by the Board of Visitors, the opinions of leading military officers are so decided and unanimous as to leave no occasion for argument here. Long possessed by foreign armies, these schools have been advocated in our own service from an early period in its history, and now, in part, they are placed ready-made at our command. The necessity of preserving and keeping in order for service the valuable engineering material of all descriptions left on hand at the close of the late war has led to the establishment of several depots with detachments of engineer-soldiers, properly officered, at each. It is readily seen how these depots of material and troops can be utilized for the purposes stated by the board. The artillery arm, too, is now provided with an excellent school of theory and practice at Fort Monroe. It is within the power of the War Department to enlarge the artillery school if needed, and convert the depots referred to, or, preferably, one of them, into a recognized school of application for the engineers; while, if a special course of instruction, apart from their regiments, is deemed requisite for the young officers of cavalry and infantry, schools of equitation and tactics for the one, and of tactics and target practice for the other, can readily be established.

The economy, simplicity, and efficiency of the methods here suggested, as compared with the plan proposed by the Board of Visitors, cannot fail, it is believed, to obtain for the former the preference. Making use, almost exclusively, of existing facilities and agencies, but very little expense would be incurred in their application. It is not within the province of this report to do more than indicate in general terms the resources available to meet a stated necessity; the adoption or rejection of the methods indicated is for the decision of other authority.

An extension of the present four years' course of study and drill at the Academy is not advised. On the contrary, if a large standing army were maintained, with military schools of corresponding size, it would be advisable to reduce the scope of the general military education conferred at the elementary schools and leave the higher courses and the specialties of each arm and scientific corps to the schools of ar

tion. But the small number of professionally educated officers renders it necessary that each one should share in a course of instruction reaching to *every* branch of the military art, and more than the rudiments of such a course could not be imparted in much less time than four years. Yet it should be remembered, when the subject of lengthening that period is considered, that now, before its expiration, the cadet finds his continuous sojourn in one and the same place, under a discipline which, though greatly tempered of late years, is still unavoidably rigorous, growing irksome and wearisome. And under such circumstances it is only the rewards attainable by him in the end that can ordinarily keep his spirits, his interest, and his energies from flagging under the monotony of cadet life. Special schools would be free from this objection, be it great or small. Even five years, or possibly longer, would be too brief a time in which to create *accomplished* officers and experts in the various branches of military science; nor could this be done wholly at the Academy, the object of which is to impart the elements of knowledge and thus awaken a desire to acquire it in a higher degree—to first open the doors of the mind and then to train it to methods of acquisition, so that the graduate may thereafter readily learn whatever it becomes necessary or advisable for him to know.

This restriction upon the capabilities of the Academy extends as well to the proposed schools of application, which could only be used for the purpose of imparting elementary instruction in greater detail.

In view of the recommendations of the board for *an elevation of the standard of admission and the introduction of a separate course of study for a special class*, the following detailed statement of the present preparatory qualifications, also of the present course of study, cannot fail to be both useful and interesting :

#### QUALIFICATIONS FOR ADMISSION.

Candidates must be able to *read* with facility from any book, giving the proper intonation and pauses, and to *write* portions that are read aloud for that purpose, spelling the words and punctuating the sentences properly.

In arithmetic, they must be able to perform with facility examples under the *four ground rules*, and hence must be familiar with the tables of addition, subtraction, multiplication, and division, and be able to perform examples in reduction and in vulgar and decimal fractions. They must also be able to change vulgar fractions into decimal fractions, and decimals into vulgar fractions.

In simple and compound proportion examples of various kinds will be given, and they will be expected to understand the principles of the rules which they follow.

In English grammar they will be required to exhibit a familiarity with the *nine* parts of speech and the rules in relation thereto; must be able to parse any ordinary sentence given to them, and, generally, must understand those portions of the subject usually taught in the higher academies and schools throughout the country, comprehended under the heads of orthography, etymology, syntax, and prosody.

In descriptive geography they are to name, locate, and describe the natural *grand* and political divisions of the earth, and be able to delineate any one of the States or Territories of the American Union, with its principal cities, rivers, lakes, seaports, *and* mountains.

In history they must be able to name the periods of discovery and settlement the North American continent, of the rise and progress of the United States, and the successive wars and political administrations through which the country has passed.

#### COURSE OF INSTRUCTION.

The studies pursued, and the instruction given at the Military Academy, are comprised under the following heads :

- 1st. Infantry, artillery, and cavalry tactics; and military police and discipline.
- 2d. Use of the sword, bayonet, &c.
- 3d. Mathematics.
- 4th. French language.

75. Spanish language.

76. Drawing.

77. Chemical physics: chemistry; mineralogy, and geology.

78. Natural and experimental philosophy.

79. Ordnance, gunnery, and the duties of a military laboratory.

80. Ethics and national, international, and military law.

81. Technical military engineering, signaling, and telegraphy.

82. Military and civil engineering, and the science of war.

The course of *infantry tactics and military police and discipline* conforms to the systems established for the government of the army, and comprises the schools of the soldier, company, and battalion; the evolutions of the line; the manual exercise and maneuvers of light infantry and riflemen, and the police and discipline of camp and garrison.

*Artillery tactics* comprise exercise of field, siege, and garrison artillery; maneuvers of batteries; tactical maneuvers and target practice.

*Cavalry tactics* comprise the schools of the trooper mounted, of the platoon, and of the regiment and regimental.

The course of *the sword arm* comprises instruction in the small-sword, broadsword, and bayonet, and in such auxiliary gymnastics as circumstances may permit.

The course of *mathematics* comprises:

Algebra: Euclidean and operatory; evolution and evolution; relation and conversion of the four kinds of radical quantities; reduction and solution of equations, including those of the third degree; ratios and proportion; summation of infinite series, and summation of finite series; construction, and use of logarithms.

Trigonometry: theory of right lines, planes, and volumes, and spherical geometry; and the formation and construction of determinate geometrical equations.

Trigonometry: The solution of all the cases, in plane and spherical trigonometry; analytical investigation of trigonometrical formulas; and the construction of trigonometrical tables.

Mensuration and surveying: Mensuration of planes, surfaces, and volumes; principles and practice of common land surveying; different methods of plotting and calculating; mensuration of trigonometrical surveying; measurement of heights and distances; leveling; and use of instruments in plotting, surveying, &c.

Descriptive geometry: The graphic illustration and solution of geometrical problems; and use of the particular application of this method to spherical projections, construction of maps, plans and shadows, and perspective and isometric projections.

Analytical geometry: Construction of algebraical expressions; solution of determinate problems; determination and discussion of the equations of the right line, plane, and conic sections; solution of the general equations of the second degree, involving two or three variables; determination of loci, &c.

Differential and integral calculus, with its application to maxima and minima, the drawing of tangents, rectification of curves, radii of curvatures, quadratures, cubatures, &c.

The course of instruction in *French* comprises grammar, reading and writing, and translating from text and orally, English into French and French into English.

The course of instruction in *Spanish* is similar to the course in French.

The course of *drawing* comprises: penmanship, topography, with lead pencil, pen and ink, and colored figures, with pen and ink; landscape, with the lead pencil; and landscape, with colors.

The course of *mechanics, mineralogy, and geology* comprises:

General physics: Magnetism, static and voltaic electricity, electro-magnetism; magnetoelectricity; thermoelectricity; animal electricity; construction and use of apparatus illustrating the principles of the foregoing subjects and their mutual relations. Heat: Its nature, sources, and connection; relation between thermal energy and other forms of energy; movement and equilibrium of temperatures; the fluid and aqueous phenomena of the atmosphere; light as a chemical agent.

Chemistry: The general laws and language; inorganic and organic chemistry; theory of acids, alkalis, and salts; distribution of animal chemistry; animal nutrition, heat, and respiration; relation between the mineral, vegetable, and animal kingdoms; applications of chemistry to agriculture, medicine, and the arts.

Mineralogy: Crystallography; structure, practical determination, and uses of minerals; and physical properties.

Geology: The earth, that is, its production, structure, modes of occurrence, and composition of rocks, rock strata, division of geological history into ages; the various geological geological changes; geology of the United States.

The course of *natural history and zoology* comprises:

Mathematics: Introduction to the study of the physical sciences; general constitution of matter; physical properties of bodies; measurements of the masses, densities, and weights of bodies; definitions and descriptions of natural forces. 2d. Mechanics of solids; Work: Laws of equilibrium and of motion, free and constrained motion of solids; method of projectiles; planetary motions, and the general principles of physical astron-

omy. 3d. Mechanics of fluids: Mechanical properties of fluids; equilibrium and motion of fluids; general principles of buoyancy; equilibrium and stability of floating bodies; specific gravity; and barometrical measurements. 4th. Mechanics of molecules: General principles of sound, heat, light, and electricity, to be taught principally by lecture. 5th. Application: Objects and principles of machines; friction; stiffness of cordage, and adhesion; discussion of the elementary machines—cord, lever, inclined plane, wheel and axle, pulleys, screw, hydraulic press, and hydraulic ram.

Acoustics: Theory of the internal structure of bodies; nature of sound; waves in general; velocity of sound in solids, liquids, and gases, and measurement of distances by sound; qualities of sound; reflection, refraction, divergence, and decay of sound; echoes, hearing and speaking trumpets, and description of the ear.

Optics: Nature of light; laws of its deviation; laws of vision; optical instruments; chromatics; achromatism; polarization, interference, and chromatics of polarized light.

Astronomy: Description of the solar and stellar systems; celestial and terrestrial spheres; figure and magnitude of the earth; its motions, with the appearances and vicissitudes arising therefrom; theory of astronomical reductions; eclipses, occultations, and transits; tides and twilight; use of astronomical instruments and tables; methods of making, clearing, and calculating observations for time, latitude, longitude, the earth's magnetism, and true meridian.

The course of *ordnance and gunnery* comprises:

Ordnance: 1st. The theory and preparation of gunpowder, cannon, artillery carriages, projectiles, implements, machines, small-arms, ammunition, and military fireworks. 2d. Practical instruction in making musket, rifle, pistol, cannon, and howitzer cartridges; preparation of strap, grape, and canister shot, fuses, slow and quick match, port-fire, signal rockets, carcasses, fire-balls, light-balls, and incendiary composition; loading shells, shrapnel-shot, and grenades; putting up stores for transportation; loading caissons; in determining the pressure on the bore of a gun; in determining the initial velocity of projectiles; in the manner of proving powder; and when circumstances will admit of it the operation of casting cannon solid and hollow, casting of projectiles, and the usual methods of testing gun metals, will be witnessed.

Gunnery: Embracing the study of the movements of projectiles; the theory of pointing fire-arms; the different kinds of fires and their effect; the art of breaching, and the composition of batteries.

The course of *ethics and law* comprises:

Ethics: 1st. Common basis with law. 2d. In moral science, the pursuit of the highest good for each and all; the realization of excellence by virtue, the fulfillment of obligations to God and our country, to ourselves and others; and 3d. In its practical division, the duties, vices, and passions.

Law: 1st. General principles. 2d. International law. 3d. Political organization and Constitution of the United States. 4th. Rules and Articles of War; and the organization, powers, forms, and proceedings of courts-martial.

The course of *practical military engineering* comprises the preparation of trench and battery materials—gabions, fascines, sand bags, &c.; the manner of tracing and profiling batteries and intrenchments, by cords, pickets, and laths; the defiladement of intrenchments and other works; the distribution and posting of working parties, with their implements and materials, in the construction of batteries, intrenchments, &c.; the construction of the various revetments for batteries and intrenchments, the laying of platforms for field, siege, and garrison artillery; the construction of palisades, fraises, abatis, rifle-pits, and trous-de-loup; the manner of placing intrenchments and other works, together with houses, walls, fences, &c., in a state of defense; the trace, defiladement, and construction of the several kinds of trenches and saps; descent and passage of a ditch, and other operations of a siege; the manner of laying out, constructing, tamping, and springing mines, both for attack and defense, with the application of electricity thereto; tresser ponton, and other bridge exercises; military reconnaissance of routes for the march of columns of troops, and of localities for defensive works; signal communication by flag or torch, and erection and operation of field electric telegraph lines.

The course of *military and civil engineering, and science of war*, comprises:

Military engineering: 1st. Principles and methods of planning and constructing temporary works, comprising intrenchments, inclosed works, batteries, lines, bridge-heads, with the modes of their attack and defense. 2d. Permanent fortification. Principles of planning and constructing permanent works for land and sea-coast defense with an analysis and description of the modern systems of fortifications; the attack and defense of permanent works, including mines.

Civil engineering: Building materials, masonry, carpentry, bridges, roads, railroad canals, and river and harbor constructions. The theory and description of mechanics and machines. The principles of architecture.

Descriptive drawing as applied to civil engineering, architecture, and fortification.

Science of war: The military organization of states and kingdoms; composition and organization of an army; strategy illustrated and explained by military history; the operations of a campaign, comprising the movements of troops and their general dispositions for attack and defense.

The projected system of promotion in the army by merit, instead of by seniority or selection, as now, is, as every military officer will declare, one of the most attractive in theory and impracticable in fact known to the service. As its recommendation by the board is conditioned upon the adoption of other recommendations, it is not necessary at this time to discuss it at large, even were this the appropriate place. Under existing law and usage, no officer of engineers or ordnance below the rank of major can be promoted till he has passed a satisfactory examination before a board of senior officers, and failing on a second examination he is deprived of his commission.

Prominent among the difficult problems presenting themselves for solution is the preservation, among conflicting opinions, of a wise balance between the theoretical and practical courses pursued at the Academy. Keeping in view the just objects of the institution as already set forth herein, it has become, of necessity, the settled policy to give the preference to the former. Hence it has always been sought to utilize to the utmost the periods of necessary relaxation from mental effort for the purposes of practical military instruction; and this steadily followed method—combining instruction with recreation—has been successfully carried into operation as to meet the approval of those identified with public education, and who consequently know the importance of economizing time. A part of each day is thus devoted to practice, and the midsummer months of each year—in lieu of being surrendered to vacation purposes—are also so appropriated; the corps of cadets being encamped, and subjected to the daily routine of a soldier's life in garrison. But it had been for some time a growing conviction that the limit had not been reached until the cadets had been taught in part, by such actual observation and trial as was possible, how to live in the field as well as in garrison; to erect their quarters as well as to occupy them; to put up with the scantiest accommodations when commodious ones were not to be had; to shelter themselves from heat and storm, and maintain and increase health, strength, and comfort, by agencies self-devised and self-applied from the chance and oftentimes unpromising materials at hand; to clear and repair roads as well as pass over them, and to march at route step, fully armed and equipped, and with vanguard, flankers, and rear guard, (as in a hostile country,) as well as maneuver and parade, lightly equipped, on a friendly field of exercise.

Accordingly, during the month of August last, the battalion of cadets, suitably officered, with band, detachment of engineer soldiers, medical officers and attendants, and with a commissariat as well as camp equipage and transportation reduced to the actual exigencies of service in the field, was moved, by a long disused mountain road, from the regular camp at West Point to a small plateau some four miles distant, where tents were pitched and the battalion kept for eight days under all the circumstances attendant upon troops in the field. While the lower classes of cadets were employed in the ordinary duties of the situation, the first class—the graduates of the coming year—was engaged in mounted reconnaissances, in collecting and preparing siege materials, and constructing fascines and gabions; in putting up and operating the field telegraph extending from the camp to the superintendent's office at West Point, and in military surveying and signaling.

Considering the difficulty of finding suitable ground for the camp, the novelty of the experiment, and the short time which could be devoted to it this year, the results were very gratifying, and in my opinion fully warrant the yearly repetition, on a larger scale, of this important addition to the practical course at the Academy.

During the past year two inspections of the Academy and its affairs have been made by me, in accordance with the academic regulations and the now settled custom. The good results attendant upon the annual investigations of the Board of Visitors, composed chiefly of gentlemen unacquainted with the institution, its officers, its merits, and its defects, and therefore independent and impartial in its judgments, were stated in my last report. The advantages, also, derivable from the visits of the inspector, coming to the post with eyes unused to slight defects and deficiencies—too familiar, perhaps, to those immediately in charge to attract observation—and clothed with plenary power for their correction and remedy, were mentioned at the same time.

I am able to concur with the Board of Visitors in commending to the approbation of the government the faithful and intelligent administration of their trust by the superintendent and his assistants in every branch, and its happy effects upon the welfare of the Academy, personally and materially.

I may also note here that visitors at the Academy, who have been familiar with its surroundings during successive years, are constantly observing new evidences of improvement in various minor particulars, which, by promoting the comfort and convenience of officers and cadets, enable them to carry out with greater facility the objects of the institution; and I am glad to be able to add that these improvements have been effected at a slight expense, and without any special appropriations having been asked or made therefor.

In conclusion let me be permitted, as one deeply interested, both personally and officially, in the welfare of our national military college, to express the assurance that, whatever may be its shortcomings, it has, equally with the rest of the army, learned the lesson of the war, and will prove in the future a school not of soldiers only, but of patriots also.

Respectfully submitted.

EDMUND SCHRIVER,  
*Brevet Major General, Inspector.*

To the Honorable  
THE SECRETARY OF WAR.

## REPORT OF THE BOARD OF VISITORS TO WEST POINT.

UNITED STATES MILITARY ACADEMY,  
*West Point, N. Y., June 19, 1869.*

SIR: The members of the Board of Visitors all met at the Military Academy on the 1st day of June, organized, were introduced by General T. G. Pitcher, the superintendent, to his associates in charge of the Academy, visited the buildings, and witnessed a review of the cadets.

On the following day the examination of the first class commenced and was continued from day to day for about a week. The examination of the lower classes was divided, and two sections were before the Academic Board, each in a separate room, at the same time.

Every opportunity was afforded the Board of Visitors by the superintendent, commandant of cadets, the professors and their assistants, to obtain the fullest insight into all the workings of the Academy, the conditions, difficulties and advantages of each department, and the improvements needed.

The board has exercised the greatest liberty of inquiry and observa-

tion ; in some cases attending examinations and making inspecting visits as a board, all the members being present ; in others, by the appointment of special committees, and often as individuals. They freely met the officers, formally and informally. They have intended to allow no fact to escape them necessary to give them a just view of the condition of the Academy. Answers to all their inquiries have been promptly furnished orally and in writing.

#### STATE OF DISCIPLINE.

The published regulations of the Academy afforded the board a complete view of the programme of duties for officers and cadets, while their minute inquiry and observations, day by day, have brought before them not only the results, as they are presented by exhibitions and special inspections in the class-room, but have afforded a trustworthy test of the actual state of discipline at all periods of the year.

The particularity with which the requirements are detailed in the regulations naturally leads to the inquiry whether they do not imperil that freedom necessary to the best development of a strong, self-poised, though lawfully obedient, purpose and character.

We found the information of the superintendent in regard to officers and cadets, through the various subordinates, by means of orders and reports and personal intercourse, reaching in the matter of instruction and discipline to such minuteness as to suggest almost a ubiquitous consciousness.

The manner of exercising this observation, accompanied by authority, is often determinative of the quality of that unconscious tuition which goes on in an institution of learning, whether in the section room or out, whether the instructor is present or absent ; a tuition neither regulated by the curriculum nor by lectures or orders, but rather the resultant of these and of all influences which enter into the life of the students. Its effect is likely to be wholesome or not in the degree that it is attractive or repulsive, or in proportion as it secures the co-operation or opposition of the minds under cultivation.

An additional danger is suggested to some minds, when it is remembered that the authority accompanying this minute observation here is military.

The conception of military authority is too often derived from those standing armies in which the officer affects the tyrant and the manhood of the subordinate is destroyed, and he becomes a machine of bone and muscle and nerves with barely the intelligence to obey.

Fortunately such a conception of military authority is altogether excluded from the Military Academy.

The purpose which pervades the regulations of the Academy—that of training young men to be safe and successful officers in the army of the republic—we found everywhere illustrated in the aims and efforts of the officers of the Academy.

We discovered no undue assumption or oppression on the part of officers, and no sense of degradation on the part of the cadet.

We found with satisfaction that while the discipline, its observation and authority, were military, it had its moral side, methods and spirit, and was directed by the superintendent along that line, so rarely reached, where a vigorous strictness of rules finds among the young cordial obedience.

Every duty has a value, every requirement omitted has demerit ; each demerit may be excused, if sufficient reason in writing, otherwise it is published in orders.

The following of the military language and routine, in all that relates to government, is calculated to give the cadet the greatest familiarity with military forms, as he may expect to practice them in the future as an officer of the staff or line.

The infusion as far as possible into these forms of a living sympathy with the cadets in all their struggles and defeats and triumphs by the superintendent, and the presentation of those high motives which appeal to those selected and educated by the country for its service, we consider a most important element in the training of the institution, guaranteeing to the country, so far as it may, not merely officers trained in the forms of the military art and as likely to be mercenaries as patriots, but officers obedient to the sternest commands of duty, and alive to the sympathies and inspirations of a nation devoted to liberty regulated by law.

They are better prepared to command patriots, because they are grounded in the principles of national patriotism, and have acquired those habits by which they can but command themselves.

We were gratified to find the extent to which the demerits were free from indications of a spirit, on the part of the cadets, either maliciously to violate the rules or to yield to temptations outside the pale of morality.

The great body of demerits arises from carelessness; the general effort to comply with the rules indicates a cheerful, well-disposed, and wholesome state of feeling among the cadets.

The yielding of cadets at times to habits of intoxication, and the old custom of abusing the incoming class, have been so skillfully treated by the present administration as to give the Academy commendable and increasing freedom from those crying evils.

We cannot commend too earnestly all efforts of the superintendent, commandant of cadets, the professors and their associates, so to conduct the discipline of the Academy as clearly to enforce the broad distinction between those demerits which indicate only incidental carelessness and those which arise from moral perversity or malignity.

The board have been pleased with the system of reporting the conduct and scholarship of cadets regularly to their parents or guardians, but would have been gratified with more evidence that a salutary home influence reached and inspired each cadet in the successful mastery of every part of the course.

A young man does not cease to have a home or to be subject to parental influence because he is sent to an institution of learning. His absence should be the reason for quickening these influences all the more. The school can be most successful only when most aided by the home. Instructors should not be blamed for the faults of parents.

The cadets have, during the four years of academic life, but one furlough to visit friends and mingle with the world. This fact gives point to the reason why parents and guardians should follow the cadet with the closest scrutiny and liveliest sympathy, and never, on account of the lack of any inspiration from them, allow him to fall below the requirements of his instructors, either in conduct or scholarship.

The judicious introduction of larger liberties as a reward of good conduct we believe is working well.

#### INSTRUCTION.

The instruction in the Academy is carried on under the general direction of the superintendent and the special supervision of the professors. These are assisted by a body of army officers who have been distin-



guished for their attainments in the branches which they are detailed to teach. The cadets are divided into sections (with the exception of drawing) varying from 10 to 12, and each of these is instructed by an assistant, who is engaged in the section-room three hours each day. The time of recitation is an hour and a half; the professor in charge passes from room to room during the hours of recitation, supervising the methods, discipline, and explanations of his assistants, and frequently taking the topic under discussion into his own hands. Unity of method, vigor, clearness, and industry on the part of the assistants are thus secured. In the judgment of the board, this is one of the best features of the course. It makes the experience and attainments of the professor available for all the cadets, and secures what is better—adequate training and daily supervision for young and comparatively inexperienced teachers. The blackboard is constantly in use, and in subjects which admit of it a sufficient amount of illustration is given to make the principles definite and clear. In their visit to the section-rooms, as well as in their attendance upon their more public examinations, the board desired to ascertain the proficiency of the cadets and the vigor and ability of their instructors. They take great pleasure in bearing testimony to the intelligence and readiness shown by the pupils in recitation and in answering questions, and to the evidence which they gave of scientific comprehension of the subjects of study, taking into view the low grade of attainment with which most of the cadets come to the Academy and the variety and difficulty of the subjects studied. After making all proper discount for occasional dullness and deficiency, the board are unanimous in the conviction that the results manifested in the examinations are in the highest degree honorable to the cadets, and to the officers of instruction and government. The clearest proof was furnished of conscientious fidelity and eminent attainment on the part of the whole corps of instructors. In these remarks the board do not refer alone to those heads of departments whose reputation for learning and ability are above the reach of their praise or censure, but to those young officers as well, detailed for service as assistant professors. Among these may be found teachers who, in familiarity with the subjects assigned to them, in clearness of conception and accuracy of statement, would do honor to any institution in any country.

The board are impressed with the belief that the salaries paid the officers, both of superintendence and instruction, are inadequate. When we consider the inevitable expenses of a residence at West Point and the eminent ability and long service of the professors in particular, it seems but bare justice that an addition should be made to their compensation. The case of the assistant professors is equally worthy of attention. Many of them suffer practically a reduction of pay from being detailed for duty in the Academy. It is surely wrong that a man should suffer pecuniarily for that reputation for capacity and attainment which leads the War Department to select him as teacher for cadets. An allowance for the extraordinary expenses of a residence here should be made for the principal assistant professors. None but men of undoubted ability and character should be selected for a trust so important, and the valuable services which they render should be recognized by increase of pay while on duty at West Point.

The outline of the course of study has been substantially unchanged for many years. In the mean time great progress has been made in many sciences, both in substance and method, and some new ones have come into existence. The changes thus made necessary in or the course of study may represent the present state of sci

been introduced gradually, but often through the displacement of some studies really important, and by crowding others into inadequate time. Every earnest teacher is constantly watchful for the interests of his own department and will seize every opportunity for extending its range and thoroughness. When the time devoted to each subject is fixed by law, the higher rank in marking, properly given to some studies in comparison with others, from their importance and difficulty, is liable, in some cases, to absorb a disproportionate amount of the pupil's strength. In this way newly introduced studies, and those not under the control of permanent teachers, are liable to be thrust aside, or to become of necessity superficial. From these causes an institution of learning becomes, in process of time, liable to a certain amount of dislocation in its studies. Every living institution should contain within itself the means of adjustment to new or varying conditions. Its healthy development requires the union of flexibility with steadiness and regularity of movement.

Various circumstances impressed the board with the necessity of constant attention to the maintenance of a just proportion among the studies of the curriculum, as well as in their relative value in the marking system of the Academy. It is clear that when two different branches of science are pursued at the same time, the cadet will be likely to give the most earnest attention to that one, proficiency in which will give him the highest rank in his class. Indeed, the temptation to such a course is so strong that studies whose value in estimated standing is low must of necessity suffer. The main motive force of the Academy and its honors is made to bear with greatly different power upon different studies. The effect of this must be to make it extremely difficult for professors teaching departments low in the scale of rank to command the mental vigor of the cadets or respect for the branches which they teach. The board disclaim all disposition to suggest in detail modifications such as these statements might seem to demand. If any such changes are to be made, they should be introduced cautiously and gradually, under the supervision of those who have had varied experience in the management of the Academy, and who are broadly familiar with those elements of education most desirable for officers in the different arms of the service taken as a whole. The board believes that a large discretion should be given to the superintendent to moderate the commendable zeal of professors for their special departments, and to readjust the relations of all the studies and teachers with a single regard to the highest efficiency of the Academy. They believe that he should, to a certain extent, be charged with the duties devolved in the French military schools upon the director of studies. For the performance of these duties there is no need of special scientific attainments, but only of an understanding of the qualifications of an officer, derived from actual service in the field, a familiar acquaintance with the course of study, a sound moral purpose, good common sense, and discretion in the exercise of power. Holding in view these principles, we believe that all changes requisite to the most efficient organization may be quietly and gradually introduced without any infringement on the rights or dignity of any member of the academic staff, and with the full and hearty concurrence of all concerned. The success of the Academy as a whole in producing efficient officers is the best success of every chief of a department of instruction. That teacher who insists on pressing the claims of his department till an abnormal development results is always in danger of defeating his own purpose in the end.

The board regret that the necessity for studying a high course of mathematics and physics, in order that the cadets may be prepared for

the strictly professional part of the course, has left little or no time for instruction in those branches which have to do with method, elegance, and clearness in expression. With the exception of the analysis and definitions put upon the blackboard, the visitors had no means of determining the power of the cadets in the mastery of a good English style, although the exactness required in the use of scientific definitions must tend to generate the habit of clear and compact expression. The board have reason to believe that more training in probable reasoning, composition, and criticism, is exceedingly desirable. In elegance and facility of utterance, judging from the examinations, there is a marked deficiency among the cadets as a whole. The board trace these deficiencies, as they do most of the deficiencies of the institution, to the inadequate preparation for admission and the necessity felt by the instructor of omitting literary culture in order to give capacity and time for the study of the science and art of war. The board are impressed with the conviction that a higher degree of culture in the English language, as used in writing and speech, would add greatly to the efficiency of the future officers of our army. The capacity to draw up orders and reports with absolute freedom from confusion of arrangement and ambiguity of expression is of the highest value to every military officer. In time of war, also, a large proportion of the line officers of the regular army are most usefully employed in some department of staff duty, in which habits of rapid and correct composition are important in the extreme.

While the board bear witness to the care and thoroughness with which the French and Spanish languages are taught, they would suggest the propriety of equal attention being given to our own tongue. In these remarks the board have no reference to the use of technical terms in the various scientific departments. Such thorough instruction as was shown involves and necessitates absolute exactness in terminology. But the board believe that the scientific nomenclature would be mastered with much more ease to teacher and pupil by a more careful training in language in general.

The board would suggest the propriety of introducing, to some extent at least, written examinations, and for the following reasons: 1. The exercise itself, continued at intervals through the course, would be valuable as tending to form correct habits of expression and analysis. 2. Let it be understood that the mark of a cadet in his examination will depend in part on the correctness, elegance, and clearness of his written expositions of the subjects put before him, and it cannot fail to develop improvement in style and capacity for clear statement. 3. In a written examination, all the cadets in the same section would have the same questions and subjects for examination, and the teacher can examine the papers at his leisure. This will secure more fairness in examination than is ordinarily possible when the topic or propositions for the student in the examination are determined by lot, and must from the nature of the case involve various degrees of difficulty. 4. If these examination papers were passed upon by the academic board, or a committee of experts chosen from without the body of teachers, a more searching test of the completeness and breadth of the instruction given by each teacher, and of the attainment of the pupils, might be applied. The almost universal custom of mingling written with oral examinations in institutions of learning shows the opinion of teachers upon the practicability and desirableness of the course which the board take the liberty to suggest.

It also appears to the board that a short course of instruction should be given in those elements of scientific methods common to all de

ments of thought and founded in an analysis of the human mind. The logic of evidence is essential to the comprehension of the distinction between demonstrative and inductive reasoning. They believe that a short course of study of this character would give solidity and thoroughness to acquisition in all the departments of physical science, and also lay the foundations for just thinking upon subjects which involve probable reasoning, and which occupy the greater part of the mental activity of men in all departments of life.

The board would also suggest the advantage to the cadets of a short course of lectures upon physical geography as connected with military operations, accompanied by illustrations addressed to the eye. If the time could be spared for such lectures they could hardly fail to be of great service to the pupils, both for the comprehension of the movement of armies in great historical campaigns and as a preparation for field service. The study or criticism of the campaigns of the great masters of the art of war must be shallow and inadequate which is not founded on a minute knowledge of the physical features of the countries in which they occurred.

The board also regret that the crowded state of the course leaves little or no time for studies in civil and military history. It is well understood that, with the present entrance examination, all literary studies must be brought within a very narrow limit. But the board cannot believe any system of education worthy of our national character which ignores the great principles that underlie the history of human progress and civilization. The soldier is the executive arm of the civil power. His duty cannot be intelligently performed without a comprehension of the conditions and formative law of that civilization and social order which it is his duty to invigorate and defend.

It seems also desirable that some instruction be given in hygiene and its application to the health of large armies or minute care of soldiers in small commands. Such instruction, grounded in scientific physiology, could hardly fail to add to the efficiency of an officer. If it is said that such care belongs to the specially educated medical staff, we reply that the best advice and suggestions of surgeons are often made nugatory through the want of sufficient knowledge on the part of officers to enable them to appreciate intelligently the principles on which such advice is founded. The soldier is under the authority of the medical officer only after he becomes really ill. That care which prevents disease must, to the greatest extent, be exercised by the military officers. Elementary knowledge sufficient for the adequate discharge of a duty so immediate in its bearing on the well-being and efficiency of an army in the field should be acquired by every officer. For similar reasons some amount of instruction should be given in the principles which should control officers in the care of horses in health and disease. Humanity and economy concur in proving the necessity of such knowledge. Elementary knowledge of this sort, diffused through an army, would have saved millions in the late rebellion.

The board would also call attention to the necessity of constant additions to the apparatus addressed to the eye for the illustration of subjects of study. The recent additions to the collection illustrating ordnance and gunnery seem to be specially useful. The selection from Oliver's representation of "various warped surfaces," and the models of machines, bridges, and field works, are examples in point. These illustrations should be increased from time to time with the advance of science and the improvements in the art and science of war.

*The size of the collections for illustrating the various branches of natu-*

ral history is far below what is requisite for instruction in the present state of science. Illustrative specimens of botany and zoölogy are entirely wanting. The cabinet of zoölogy and mineralogy falls short of five thousand specimens. Many of these are duplicates and represent but a small portion of the crust of the earth, and few species of fossils and minerals. The board are clearly of the opinion that the cabinet ought to be largely and immediately increased. In order to secure this result at the least expense to the government they would submit the following suggestions:

1. Immense quantities of material illustrative of natural history have been collected at the expense of the United States, and to a great extent under the direction of army officers. The duplicates in these collections might be made available for the cabinet, through the payment merely of the expense of transportation from the places of deposit in Washington or elsewhere to the Academy.

2. Officers of the army on duty in various parts of the country could easily make collections, illustrative of the natural science, for the benefit of the Academy at West Point, if provision were made for the purposes of transportation.

3. The Board of Visitors would therefore recommend that authority be given to make such selections of duplicate specimens illustrating the various departments of natural science, in collections belonging to the government, as are needed for the cabinet of the Academy, and that provision be made for the expense of selecting and of transporting these specimens and arranging them in a scientific manner.

4. The board also recommend that an appropriation be made to pay for the transportation of such collections as shall be made by the graduates of the Academy, provided that such specimens shall be deemed valuable for the cabinet by the head of the department of natural history.

5. The board also recommend that a sum of money be appropriated to meet the expense of making exchanges of duplicates with the owners of collections in our own or other countries, and also for the purchases of specimens when needed.

6. The board recommend that provision be made at an early day for the erection of a fire-proof building to contain the cabinet, and that provision also be made for the scientific arrangement in glass cases of the cabinet which may be formed, and that they shall be accessible to cadets at all hours when not on duty.

In making suggestions for possible improvement, and pointing out defects in the Academy, the board make no intimation of want of zeal, intelligence, or efficiency against any of those able men who have shaped the organization and instruction of the Academy. It is probable that no persons would hail the introduction of real improvement more readily than the superintendent and academic staff. As they have all along hinted, the board are unanimously convinced that almost every deficiency which they have noted is due to the crowded condition of the course of study, made necessary by the exceedingly low standard of examination for admission. Over this the officers have no control. The standard is fixed by law. We but reiterate the recommendation of former boards when we urge the elevation of the standard of the entrance examination. Young men who are simply able to pass this examination would be obliged to study from two to three years to be prepared to enter the ordinary regular course in American colleges. The French military schools require of their cadets a diploma from some French provincial college, either in letters or sciences, and, in addition, a

a competitive examination in physical science and the French and German languages. The attainments in physical sciences alone, apart from the education in letters required at the college, demanded for a high rank in this competitive examination, are equal to those necessary for the first two and a half years of a cadet at West Point, taking a place in the first section of his class. Now, the board do not adduce this example for imitation here, but to show by way of comparison the nature of the raw material upon which the teachers of the Military Academy begin their work. They are expected to take men of a grade of attainment two years below what is requisite for admission to a college, and to give them a liberal and professional education in four years—to do work which, in other professions, would require at least seven years. All honor to teacher and pupil for what is accomplished in this short time at West Point! This state of things accounts for the fact that more than one-half the cadets who enter are rejected before graduation for incompetency. It accounts for the fact that the government pays nearly double the necessary cost for each cadet graduate. It accounts for the deficiencies of the curriculum in variety and breadth. It makes necessary the rejection of those studies of which we have spoken as necessary to the mental equipment of the well-educated army officer. The remedy for these evils is obvious: Raise the standard for admission, and the professors at West Point will be the first to move in meeting deficiencies. They will be the first to move in giving breadth to the course and opportunity to the cadets for more free mental and moral action.

The board decline to mark out any specific plan of action for elevating the standard for admission to the institution. The competitive element should in all fairness enter into any one selected. *The first thing to be thought of is to educate the public mind to its necessity.* Every friend of the Academy, every graduate jealous of its honor, should aim to elevate its course of study, until its cadets shall go into our army as well-disciplined and furnished as those of any power in the world. It is not the policy of our republic to maintain a large standing army. We educate men at West Point who in time of war shall furnish the organizers and educators of a citizen soldiery. These men should be something more than professional martinets or *condottieri*. They should have an education in ideas, in the law and methods of human progress, in those great principles which underlie the moral order of the universe, and a moral discipline so comprehensive and thorough that their scientific discipline and military knowledge shall be consciously held subservient to the highest well-being of our country; that their hearts shall beat responsive to that patriotic emotion which, in the presence of domestic rebellion or a foreign enemy, makes every American citizen a soldier.

In regard to the department of ethics and law, now in charge of the chaplain, the board are unanimously of the opinion that a complete reorganization should be made. The chaplaincy, in their judgment, should be separated entirely from this department, stand upon its own merits, and be confined to its appropriate duties.

The subject of law is one of the most important branches of study pursued in the Academy. It should constitute a distinct department, and be committed to an able man, taken from the army or from civil life as may be deemed most advisable. The present range of study, as laid down in the curriculum, embraces constitutional law, international law, martial law, the practice of courts-martial, and the principles of ethics in their bearings upon the true conception and proper administration of law in these several particulars. It must be seen at a glance that this branch of the general course of instruction is so important and compre-

hensive as to demand great ability in any one who should occupy this chair; for no class of men require a more thorough knowledge of the principles and administration of law than those who are clothed with military power, the exercise of whose authority is usually prompt and absolute, and from which there is often no appeal.

However eminent and faithful one may be in discharging the proper duties of a chaplain, it is seldom that his habits and training qualify him for the duties of a professor of law. Nor is it desirable on other grounds that these functions should be combined. The board are clear in the conviction that the moral and religious influence of the chaplain over the cadets would be heightened were his duties strictly confined to that sphere usually filled by the teachers of religion.

It appears from several previous reports of the Board of Visitors, and especially from the elaborate report of the commission appointed by Congress in 1860 to inquire into the condition of the Military Academy, that ethics had long been regarded by the cadets as a study particularly distasteful. The testimony of officers and cadets is to this effect, and that the pursuit of moral science should be discontinued altogether. This has been for a long time substantially the case. The duties of the chaplain have been too onerous, and but little time could be given to them. The natural consequence has been that some branches have fallen into disrepute, and a desire has been fostered to get rid of them altogether. In place of yielding to this desire, however, the board recommend the change herein mentioned. A proper scheme of ethics and a true system of moral science must be the basis of all law, civil or military. These branches in the hands of a competent jurist, it is believed, may be so managed as to remedy the defects of the present system and remove complaints; while, at the same time, giving to the chaplain such duties only as relate more particularly to moral and religious matters, the change will enhance the salutary influence which such an office is designed to secure.

The board regret to learn that the Rev. Dr. French, chaplain and professor of ethics and law, has been laid aside from his duties for several months by serious illness. It seems desirable that some temporary provision should be made for maintaining religious worship during the time that the chaplain may be thus incapacitated.

The instruction in tactics as taught in the several arms of the service, infantry, cavalry, &c., was highly satisfactory, and we may add that, so also was the practice as exhibited in the specimen drills. Upton's tactics we consider a decided improvement.

We were gratified to observe the extent to which, wherever possible, the instructor carried the practice along with the theory, as in surveying, topography, and gunnery.

The instruction of the able professor in drawing we believe would be more available for a large number of graduates, if more time were given to drawing by the eye from nature, and less time to copying.

#### POLICE.

A casual observer, in looking about the buildings and grounds of the Academy, is at once impressed with the neatness that prevails. The closest observation with the officers, and in their absence, fully sustains these first impressions. The vigilance of the superintendent and officers appeared to be all that could be desired. Yet the board remarked that the present lack of a complete system of underground drainage in time lead to results incompatible with the present cleanliness.

grounds and healthfulness of the Academy. The barracks and cadet mess-hall are at present the only buildings properly drained.

#### ADMINISTRATION.

The full expression of opinion elsewhere by the board upon details, which may be included under this general head, is sufficient indication of the favorable impression received by them in regard to the administration of the affairs of the Academy.

Improvement in affairs small in themselves, such as the introduction of high in the place of low shoes for wear by the cadets in the snows of winter, and of water instead of horse-power for cutting the wood for the Academy, is indicative of the spirit the board observed in all the affairs of the institution, allowing no waste, no going from better to worse, but giving signs of economy, wisdom, and progress everywhere.

The success of the present superintendent in the discharge of his varied and difficult duties the board have noted as a proof of the wisdom of that change of the law by Congress, through which the selection of the superintendent is no longer restricted to any one class of officers, but may be made from the entire army. We marked with satisfaction the earnest efforts of his associates to co-operate in the execution of his plans.

An officer of the Academy incompetent and unfit for his place cannot be too promptly removed; but the board are of the opinion that those who have been tried and found successful, especially in the more responsible positions, should not be unnecessarily displaced.

#### FISCAL AFFAIRS.

A most thorough examination into the condition of the accounts of the Academy showed them to have been kept with the utmost exactness.

Purchases of supplies on account of the institution appear to have been made very judiciously, and at reasonable rates, and the strictest economy appears to have been observed in all other expenditures of its funds.

The management of the fiscal affairs of the Academy cannot well be too highly commended.

#### THE HOSPITAL FOR CADETS.

The hospital is in charge of Brevet Brigadier General T. A. McParlin, surgeon, United States Army. Its condition showed the best of care and skill. The new bedstead introduced is an improvement.

The building used for a hospital, ample for the few patients likely to occupy it, in the excellent health generally prevalent at the Academy, would be inadequate should any epidemic enter the ranks of the cadets. Its wards do not admit light sufficient for the sick, and its filth passes into cesspools beneath, there being no underground drainage.

The board do not recommend an immediate appropriation for a new hospital, but see the reasons which will, before long, render such a step expedient.

#### THE LIBRARY

Was found to be in excellent condition. It comprises about twenty-three thousand volumes, principally scientific works, selected with reference



to the studies pursued at the Academy, but with a judicious infusion of historical and biographical books. Of course the library will soon become comparatively unimportant, unless appropriations are made from time to time which will enable it to keep pace with the advancement of science. The board are of opinion that the sum of two thousand dollars will accomplish this purpose for the coming year.

It hardly need be stated that a perfect catalogue greatly enhances the value of a library. It is the key which unlocks its treasures. Such a catalogue has been prepared with great labor, and without cost to the government, and is now ready for the press. But there are no funds which can be applied to the printing of it, and to accomplish this purpose the board earnestly recommend an appropriation of one thousand dollars.

The board in this connection would invite attention to the case of Mr. André Freis, who for nearly twenty-seven years has had almost the sole charge of the library, and who has labored indefatigably and most intelligently in the discharge of his duties, to the entire acceptance of all connected with the Academy. His place could not be easily supplied, and yet, during this long period, his compensation has been very little above that of a common soldier. It cannot be the wish of the government thus to under-pay a servant who, from his attachment to his duties, has been willing thus far to render such services for such a pittance as has been paid him. In our opinion one thousand dollars a year would be a small compensation to such an agent, engaged in such duties.

#### SIGNAL SERVICE DRILL.

On Wednesday, June 9, the board witnessed the signal service drill, embracing the drill and practical working of the field (electric) telegraph train and communication by visual (flag) signals. General Albert J. Myer, chief signal officer of the army, was present. The drill was in charge of Lieutenant Colonel P. S. Michie, instructor in military signaling and telegraphy, assisted by First Lieutenant J. E. Hosmer, acting signal officer and assistant instructor. The detachment consisted of the first class of the corps of cadets.

The attention of the board was especially drawn to the illustration of this branch by the fact that it was the first drill of the signal service which has been given before a full Board of Visitors. The electric telegraph drill was that of the section train of a field telegraph train. The capacity of a full field train is to erect four lines of field telegraph of ten miles length each, simultaneously, and at the rate of three miles of line per hour. A section train consists of three vehicles—a battery wagon, a wire wagon, and a lance truck. The battery wagon prepared for headquarters of an army is of the style of a small ambulance, fitted with electric batteries, and with four desks, electric instruments, and appliances for working in the field from separate lines of telegraph or from an office. The wire wagon contains ten miles of wire in coils, and a reel for reeling it out rapidly as the wagon is driven in extending the line or for recovering and recoiling the wire when the line is taken down. On arriving at the end of the line where one is erected, this wire wagon, which has also a desk and instruments, becomes a telegraph office, communicating with the headquarters office. The lance truck carries light poles or lances in which to erect the wire, with insulators, crow-bars, and all essentials for the erection of a telegraph line. The train and the detachment serving with it are organized and maneuvered under a system of drill in which each cadet has duties marked out, and a

charges them, by orders peculiar to this service, with precision. The illustration before the board consisted of the rapid erection of a line of telegraph, complete, around the plain, at the rate of over three miles an hour, the attachment of the electric instruments, and the operation of the line, the cadets performing all parts of the work and sending and receiving messages over the wire by the sounds of the electric instrument. Fort Putnam and the battery wagon upon the plain were made the points of communication. The messages were dictated by the board, and were successfully transmitted. Every facility was given for the thorough examination of the train and for putting its utility to practical tests. The communication by visual (flag) signals was in operation as a part of the drill simultaneously with the working of the field telegraph train. Signal stations were established on the plain, at Fort Putnam, and at a point across the Hudson River about seven miles distant in an air-line. The equipment, consisting of a couple of flags and torches, a staff, and a telescope, can be carried and used anywhere. Between all the points named messages dictated by the board were sent by the motions of single flags with speed and accuracy, the cadets sending and receiving the messages and discharging the duties of signal officers and flagman. The electric lines and the lines of visual signals were worked in conjunction, messages being sent by electricity over the wires and replied to by visual signals from the stations in view of the board, to illustrate the combination of the two modes to be used in case of necessity. The lines were also worked separately, to show the efficiency and the uses of either mode by itself. At the conclusion of the drill the cadets were ordered in from the stations in a moment by a few waves of the flag, while the field telegraph line was taken down, reeled up, repacked, the wagons formed "in train," and, with the detachment, marching upon the road with even greater speed than it had been erected. The drill was a highly satisfactory evidence of the perfection to be hoped for in this department of science when full opportunity has been had for development, and of the progress of the Academy in keeping up with improvement in military science.

The board are unanimous in commendation of the introduction of this branch of study at the Academy. The uses of field (electric) telegraph trains must be of such constant importance in every army, and there are so many instances in which communication by visual (flag) signals must be essential to successful military operations, that a knowledge of both as embraced in the practice of the signal service is desirable for every well-educated officer. The board recommend that the Academy be kept supplied with all improved apparatus for this duty. They would also recommend that a fixed value in standing be given the study as an incentive to exertion on the part of the cadets.

#### ADDITIONAL ITEMS OF APPROPRIATIONS.

The north wharf attracted our attention as too small, decayed, and altogether unfit for the use required at that point, and we recommend an appropriation of five thousand dollars for rebuilding it.

The cemetery, as a burial place for those in the service of the country, may properly be classed among the national cemeteries and be improved as they are. An appropriation should, in our opinion, be made for its enlargement, which is indispensable if it is to be further used for its present purpose, and for its improvement.

The board recommend, also, such increase of the pay of the assistant *in care of the cabinet and apparatus* for Professor Kendrick's department, as the superintendent of the Academy may deem just.

The board have so far expressed their views upon the general state of the Academy and the modifications desirable under the present system.

In conclusion, we would say that the institution has accomplished all that could reasonably be expected of it under its present organization.

But it is apparent to the most casual observer that the Academy fails to meet the requirements demanded of the military school of a great nation like ours. Whilst the organization of this school may have in the past fully met the requirements of those times, the great advance that has, since its organization, been made in science and in the art of war, as well as the increased power of the republic itself, which has made it one of the controlling elements among the nations of the earth, alike imperatively demand that its military school should be raised to a standard of excellence not surpassed by the schools of any other nation.

In pursuance of this thought the board, at the risk of transcending the duties especially prescribed in their letters of appointment, are disposed to add, by way of supplement to their report, some suggestions looking to a reorganization of the Academy upon a more liberal, useful, and efficient basis than its present one.

Some of the leading features that should be observed in reorganizing the Academy may be stated in general terms as follows:

The Academy should be greatly enlarged.

The number of pupils admitted to the school should be largely increased.

There should be arranged in the institution two separate courses of study: one for a general class, which should include the course of studies arranged for all the pupils admitted, the other for a special class, which shall be composed of those selected for this course from the most proficient in the general class.

The course of studies for the general class should be limited to the instruction necessary for a thorough comprehension of the elementary principles of the art of war, and the standard of admission should be so adjusted that the course would be completed within three years. The course of instruction for the special class in all that relates to the science and the art of war should be limited only by the boundary of human knowledge in relation to those subjects.

Whilst the government should retain the right to require the services of all graduates of the Academy, the reciprocal obligation on the part of the government to accept the services of such graduates should be abolished.

The government, each year, should select such number as the public service might require from the graduates of the general class for that year who by their proficiency in their studies, and by their mental and physical qualities, could best serve the republic in a military capacity, and confer upon those selected military appointments as provided for by law.

These appointees should be assigned to duty with their commands respectively, and should be continued upon active duty for a period of not less than two years. Upon the expiration of this service, such number as the public service required should be selected from these appointees by competitive examination for admission to the special class of the Academy.

Promotions in the military service should be so regulated by law as to serve as rewards of merit to those who are admitted to the special class, and as especial rewards of merit to those who are most proficient in its course of study. Those officers who are not selected for admission to the special class should be continued with their commands, and the

be subject to a line of promotion subordinate to the members of the special class.

The graduates of the general class who fail to receive appointments will be returned to civil life.

It is not proposed to submit reasons in detail for the maintenance of these propositions. A few general remarks it is hoped will be sufficient to suggest the course of reasoning by which the board have arrived at the conclusions stated.

One great obstacle with which this institution has had to contend is the want of public sympathy in its behalf. Its objects, purposes, and labors are not understood or appreciated by the general public. They have no means of forming any just conception of the merits of this school, and of the service it has rendered and is rendering to the country.

In the past it has annually drawn from every part of the country a greater or less number of the most promising young men of every community, but as a general rule it returns to these communities none of those who remain at the institution until they are graduated. The graduates are at once attached to the army for military service, and the discharge of their official duties, as army officers, practically severs them from all social, political, and business association with the masses of the people. In this way the institution is deprived of the friendly aid of those best qualified to testify in its behalf.

The only pupils returned by the school to the masses of the people, with rare exceptions, are those who, for sufficient reasons, it is compelled in self-defense to discharge from its classes. As a matter of course, these are invariably found to be active enemies of the school. Their relatives and friends sympathize with them, and the public estimate of the Academy is largely made up from their reports.

By largely increasing the number of pupils admitted to the Academy, a large majority of the graduates of the general class would necessarily be annually returned to civil life. In every community in which any such graduate might reside the Academy would, very probably, have an active friend, and the country would have a skilled soldier, capable of organizing the militia into well-disciplined armies in the least possible time and at the minimum of expense. Such agencies among the people at the outbreak of the rebellion in all probability would have saved to the republic thousands of lives and untold sums of money, which were uselessly squandered in consequence of the want of proper knowledge on the part of those who were compelled to assume the duties of officers in organizing troops.

The large number of pupils that it is proposed should be admitted would also furnish a much greater range for selecting the very best material that the country contains for the future military officers of the republic. And the constant observation that must necessarily be maintained over them during their course of study in the general class would supply a test that would unerringly indicate those who ought to be selected for such positions.

It is not deemed necessary to assign any specific reasons for requiring the graduates of the general class who have received commissions in the army to serve with their commands for a limited period of time before being examined for admission to the special class. Experience has so clearly demonstrated the necessity for such a course, that it may now be considered as accepted by our leading military officers as a self-evident truth.

War is the last resort by which all questions that cannot be otherwise adjusted between nations must be finally settled. In the present age

of the world, successful war can only be achieved by means of armies directed by the highest scientific knowledge. It is therefore of paramount importance to every government that aspires to command a controlling influence among the nations of the earth that the commanders of its armies should combine with the greatest mental endowments the highest possible attainments in the science and art of war.

The primary consideration with a nation should be to command a power with which it could successfully defend itself against all assailants, and to vindicate at all times the national honor. Humanity requires that these ends should be accomplished with the least possible loss of life, and a due regard to economy demands that they should be attained at the minimum expenditure of money.

Military officers are called upon to perform many important and delicate duties subordinate to those above referred to, requiring the most varied knowledge directed by the utmost tact and skill.

To properly qualify officers for these responsible positions and for the efficient discharge of these important duties, the best material that is contained in the general class, tried and proved by actual service with their respective commands, would be selected by competitive examination for admission into the special class, there to be instructed in all that is known among mankind in reference to the objects to which they have devoted their lives. The graduates of this class should be rewarded by the trust, confidence, and emoluments that they would have fairly earned at the nation's hands by the ordeals through which they have passed.

It may be proper to add that a minority of the board, while entertaining no doubt as to the expediency of greatly enlarging the number of cadets, fails to yield its assent to all the suggestions and propositions made in the concluding and supplementary part of the foregoing report.

C. H. WARREN,

*Massachusetts, President.*

JOHN EATON, JR.,

*Tennessee, Secretary.*

DAVID HUNTER,

*United States Army.*

M. B. ANDERSON, *New York.*

WALTER Q. GRESHAM,

*Indiana.*

BENJ. F. LOAN, *Missouri.*

R. L. STANTON, *Ohio.*

The Hon. SECRETARY OF WAR,

*Washington.*

## REPORT OF THE COMMISSIONER BUREAU REFUGEES, FREEDMEN, &c.

WAR DEPARTMENT,  
BUREAU REFUGEES, FREEDMEN, AND ABANDONED LANDS,  
*Washington, D. C., October 20, 1869.*

SIR: I have the honor to submit for the consideration of his excellency the President of the United States the following report, called for by an act of Congress approved March 3, 1865:

Since my last annual report material changes have been made in the

operations of this Bureau in accordance with the acts of Congress relating thereto. The act of July 25, 1868, required the Commissioner "to cause the Bureau to be withdrawn from the several States within which said Bureau has acted, and its operations, excepting the educational and bounty divisions, to be discontinued on the first day of January, 1869."

Orders were issued and measures adopted for effecting this change with the least possible violence. Notice was given to officers, agents, and clerks that their services would not be needed after December 31, 1868. The freedmen were early informed that they must look to the civil magistrates for protection of their rights and redress of their wrongs, and that the supplies of food and clothing for the destitute, medicines and care for the sick, the transportation of laborers to new homes, and all oversight and assistance in making contracts, must very soon cease. Disbursing officers were instructed to settle outstanding accounts, and to sell the public property no longer needed. The abandoned lands still reported, but of very little value, were ordered to be restored to the owners thereof, or dropped from the returns.

These orders were promptly executed, and the law strictly enforced, with one exception. It was found that the freedmen's hospitals at New Orleans, La., Vicksburg, Miss., Louisville, Ky., Richmond, Va., and Washington, D. C., could not be closed at once without exposing many utterly helpless patients to great distress. The local authorities refused to assume the charge of these hospitals, and, after consulting the Secretary of War and receiving his approval, it was determined to continue them until an appeal could be made to Congress for further action. Three of these have since been closed, and only those in Richmond, Va., and in this city remain, whose continuance was authorized by an act of Congress approved April 7, 1869.

The reduction of force and work within the last year will be seen from the following comparison: One year ago there were on duty in this Bureau one hundred and forty-one (141) commissioned officers, four hundred and twelve (412) civilian agents, and three hundred and forty-eight (348) clerks. At present there are fifteen (15) commissioned officers, seventy-one (71) civilian agents, and seventy-two (72) clerks. A year ago clothing and rations were distributed to the destitute, costing ninety-three thousand seven hundred and five dollars (\$93,705) per month. At present no such supplies are issued, except to the sick in hospitals. At the date of the last annual report there were in operation twenty-one (21) hospitals and forty eight (48) dispensaries, with five thousand three hundred and ninety-nine (5,399) patients and eighty-five (85) surgeons. Now there are two (2) hospitals, no dispensaries, with five hundred and forty-one (541) patients and five (5) surgeons. During the last year transportation was furnished to six thousand four hundred and eighty-one (6,481) persons, and four thousand eight hundred and fifteen (4,815) packages of stores, at a cost of twenty-four thousand eight hundred and forty (\$24,840) dollars per month. Now no transportation orders are issued, and the only expenditures for this service is for mileage or actual expenses of officers traveling under orders. All disbursements are now made from this office. Accurate records are kept of all financial transactions, and a minute history of every claimant's account which is settled through this Bureau. So long as the educational and bounty divisions shall be continued, it will not be practicable nor safe to make any further reduction of the force now employed in this office and the several States.

The operations committed to my charge having been brought within comparatively narrow bounds, and in several departments entirely

closed, a general review of the work done and a condensed report of the results attained seem to be called for.

Previous to the establishment of this Bureau, and early in the progress of the war, it was seen by intelligent military officers, and by statesmen in Washington, that the condition of the colored people set free by the army demanded earnest attention and wise consideration. In February, 1862, General T. W. Sherman issued an order\* appealing to the benevolent and philanthropic people of the land in behalf of the helpless blacks of South Carolina within the limits of his command. He not only begs for contributions of clothing and other necessities of life, but says: "To relieve the government of a burden that may hereafter become insupportable, and to enable the blacks to support and govern themselves in the absence and abandonment of their disloyal guardians, a suitable system of culture and instruction must be combined with one providing for their physical wants." Similar urgent appeals were made by Commodore Du Pont and others, the demands for help increasing as the territory occupied by our forces was enlarged. A deep interest was aroused in the northern States, and very soon several relief associations were organized for the purpose of collecting and forwarding supplies and supporting teachers, preachers, and superintendents of labor. The President and the Secretaries of War and of the Treasury heartily approved these efforts, and gave such aid as their limited powers would permit. The first important expedition was the sailing of about sixty (60) volunteer laborers, among whom were Mrs. Senator Harlan and fifteen (15) other ladies, on the 3d of March, 1862, upon the steamer *Atlantic*, laden with army stores for our troops at Port Royal, S. C. This company of teachers and superintendents of labor, under charge of E. L. Pierce, esq., of Boston, and Rev. Mansfield French, accomplished a very good work on the islands along the coast of South Carolina. They distributed food and clothing, nursed the sick, systematized labor, and organized schools. During the first year they furnished ninety-one thousand eight hundred and thirty-four (91,834) garments, thirty-five thousand eight hundred and twenty-nine (35,829) books and pamphlets, five thousand eight hundred and ninety-five (5,895) yards of cloth, three thousand dollars (\$3,000) worth of farming implements and seeds, and had about three thousand (3,000) scholars under instruction. Similar efforts were made in 1862 along the Atlantic coast from the District of Columbia to Florida. In 1863 General Grant appointed Rev. A. S. Fiske, chaplain, superintendent of contrabands in his department, and ordered him north to obtain relief for more than fifty thousand (50,000) starving refugees on the banks of the Mississippi. A quick response was given to his appeals, and generous gifts of clothing and money were placed at his disposal.

But it was evident to thinking men that these noble, benevolent efforts could not fully meet the demands of the times. The numerous societies organized were local and acted independently of each other. A general plan was needed, and unity of action, with a central directing power, and larger means than could be furnished by private charities.

On the 12th of January, 1863, a bill was presented in the House of Representatives to establish "a Bureau of Emancipation." It met with much opposition, but finally a substitute for the original bill, entitled "An Act to establish a Bureau for the relief of Freedmen and Refugees," was passed, and became a law on the 3d of March, 1865. I was

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\* General Orders No. 9, Department of the South.

assigned to duty as Commissioner of this Bureau May 12, 1865,\* and on the 15th entered upon my duties and began the work of organization.

The law establishing the Bureau committed to it "the control of all subjects relating to refugees and freedmen from rebel States, under such rules and regulations as may be prescribed by the head of the Bureau and approved by the President." This almost unlimited authority gave me great scope and liberty of action, but at the same time it imposed upon me very perplexing and responsible duties. Legislative, judicial, and executive powers were combined in my commission, reaching all the interests of four millions of people, scattered over a vast territory, living in the midst of another people claiming to be superior, and known to be not altogether friendly. It was impossible at the outset to do more than lay down a few general principles to guide the officers assigned as assistant commissioners in the several States. These officers were men of well-tried character, and to them was committed to a considerable extent the task of working out the details of organization in accordance with the different states of affairs in their respective districts. No one minute system of rules could have been rigidly adhered to and applied in every part of the southern country. I therefore set forth clearly the objects† to be attained and the powers‡ which the Bureau could legally exercise, and left it to my subordinates to devise suitable measures for effecting these objects.

The first reports received from these officers present a sad picture of want and misery. Though large sums of money had been contributed by generous northern people; though many noble-hearted men and women, with the spirit of true Christian missionaries, had engaged zealously in the work of relief and instruction; though the heads of departments in Washington, and military commanders in the field, had done all in their power; yet the great mass of the colored people, just freed from slavery, had not been reached. In every State many thousands were found without employment, without homes, without means of subsistence, crowding into towns and about military posts, where they hoped to find protection and supplies. The sudden collapse of the rebellion, making emancipation an actual, universal fact, was like an earthquake. It shook and shattered the whole social system. It broke up the old industries and threatened a reign of anarchy. Even the well-disposed and humane land owners were at a loss what to do, or how to begin the work of reorganizing society, and of rebuilding their ruined fortunes. Very few had any knowledge of free labor, or any hope that their former slaves would serve them faithfully for wages. On the other hand, the freed people were in a state of great excitement and uncertainty. They could hardly believe that the liberty proclaimed was real and permanent. Many were afraid to remain on the same soil that they had tilled as slaves, lest by some trick they might find themselves again in bondage. Others supposed that the government would either take the entire supervision of their labor and support, or divide among them the lands of conquered rebels, and furnish them with all that might be necessary to begin life as independent farmers.

In such an unsettled state of affairs it was no ordinary task to inspire hostile races with mutual confidence, to supply the immediate wants of the sick and starving, to restore social order, and to set in motion all the wheels of industry.

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\* General Orders No. 91, War Department, A. G. O., May 12, 1865.

† See circular No. 2, War Department, Bureau R. F. and A. L., May 19, 1865.

‡ Circular No. 5, War Department, Bureau R. F. and A. L., Washington, D. C., May 30, 1865.



It was necessary at the outset to attend to the physical wants of those who were actually suffering. The sick, infirm old men and women, forsaken by their former owners, and helpless orphans, too young to earn their support, formed the most pitiable class. I found some hospitals and asylums already in existence, and in the valley of the Mississippi a systematic plan of relief for the destitute sick had been adopted, conformed mainly to the hospital system of the army, by which assistance was given to over seventeen thousand (17,000) persons. In this district also a complete relief system was in operation, which had furnished, in 1864, medical attendance and medicines to six thousand nine hundred and twenty-nine (6,929) patients. It was only necessary, therefore, to increase the number and capacity of these hospitals and asylums, so as to meet the necessities of refugees and freedmen in all parts of the country. The Surgeon General cordially aided by detailing surgeons and furnishing medical supplies, and during the first year of the operations of the Bureau the death rate among freedmen was reduced from thirty per cent. to less than four per cent. During the first three months after the organization of this relief system, the number of refugees and freedmen receiving medical treatment was forty-eight thousand four hundred and twenty-nine, (48,429.) In the next ten months, *i. e.*, up to August 31, 1866, the number of patients was one hundred and sixty-six thousand five hundred and twenty-one, (166,521.) The number of hospitals existing during that period was fifty-six, (56,) and of orphan asylums five, (5.) During the ten months ending June, 1867, the number of patients was one hundred and forty-four thousand one hundred and forty-nine, (144,149.) In the next year, ending June 30, 1868, the number treated was one hundred and fifty-nine thousand one hundred and forty-nine, (159,149,) and in the last year, ending June 30, 1869, the number was sixty-five thousand nine hundred and thirty, (65,930.) Thus it will be seen that since its organization the Bureau has had under its care no less than five hundred and eighty-four thousand one hundred and seventy-eight (584,178) sick and infirm persons, for whom no provision was made by local authorities, and who had no means themselves of procuring the attendance and comforts necessary to health and life. It has not been possible to provide for the proper treatment of the insane. For some of this unfortunate class admission has been gained to the State asylums, but the majority have been of necessity retained in the Bureau hospitals, and all that could be done for them was to supply them with food and clothing and prevent them from doing injury.

For more than a year the great aim has been to relieve the government by transferring to the civil authorities all these dependent classes for future care and treatment. To this end medicines and hospital stores have been furnished as an outfit, where State or municipal governments have consented to assume charge of destitute sick and disabled freedmen within their own borders. By means of this aid, and by patient and persistent effort, the hospitals, at one time numbering fifty-six, (56,) have been reduced to two, (2,) and one (1) of these is about being closed.\* There will then remain one (1) freedmen's hospital in this district, which cannot at present be dispensed with, and whose continuance for some years humanity and necessity will require.

In addition to the sick, many others were destitute and required aid. To relieve this destitution without encouraging pauperism and idleness was a difficult problem. I found, when I took charge of this work, that very large issues of rations and clothing were being made by military

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\* For tabular statement of commissary supplies issued, see Appendix B.

commanders. The number of persons relieved by the Commissary department in the month of August, 1865, was one hundred and forty-eight thousand one hundred and twenty, (148,120,) and many freedmen and poor whites seemed to expect permanent support from this source. But in the succeeding month, when the Bureau had been sufficiently organized to take the entire supervision of this gratuitous relief, by a rigid examination of every applicant, and by the rejection of all who could support themselves by labor, the number assisted was reduced to seventy-four thousand nine hundred and fifty-one, (74,951.) And from that date a constant reduction was made, so that the average number of rations issued per day during the year ending September 1, 1866, was twenty-nine thousand eight hundred and nineteen, (29,819,) and during the year ending September 1, 1867, eleven thousand six hundred and fifty-eight (11,658) in this district and throughout all the southern States.

These supplies were given to none but the helpless destitute classes of refugees and freedmen, the sick, the very old, and orphans too young to earn their own support. I did not feel authorized to furnish relief to other classes. And when, early in 1867, very urgent appeals for help came up from many industrious laborers who were reduced to the verge of starvation, the subject was laid before Congress, and by joint resolution approved March 30, 1867, the Secretary of War was "directed to issue, through this Bureau, supplies of food sufficient to prevent starvation and extreme want, to any and all classes of destitute or helpless persons in those southern and southwestern States where failure of the crops and other causes have occasioned widespread destitution." In accordance with this resolution five hundred thousand (\$500,000) dollars were set apart as a special relief fund,\* and food was given to fifty-eight thousand three hundred and forty-three (58,343) persons daily for a period of four months, no distinction being made between whites and blacks, loyal and disloyal. Adding these to the number of refugees and freedmen before given, the average number of persons daily assisted in the year ending September 1, 1867, was thirty-one thousand one hundred and five, (31,105.) During the next year, ending September 1, 1868, the average number assisted was sixteen thousand eight hundred and four, (16,804;) and during the last year, ending September 1, 1869, the average number has been one thousand nine hundred and eighty-three, (1,983,) many of whom were children receiving half rations only. During the same period clothing has been purchased and distributed among the destitute at a cost of two hundred and fifty-two thousand five hundred and forty-seven dollars and thirty-five cents, (\$252,547 35.) In addition to this, a large amount of army clothing, condemned as unfit for issue to troops, was transferred to this Bureau by the Quartermaster's Department and given to the poor and needy.

This exhibit of rations and clothing furnished shows that the Bureau has not been a pauperizing agency. It has not encouraged idleness and vagrancy. It has not existed for the benefit of able-bodied beggars. The wonder is not that so many, but that so few, have needed help; that of the four millions of people thrown suddenly upon their own resources only one in about two hundred has been an object of public charity; and nearly all who have received aid have been persons who, by reason of age, infirmity, or disease, would be objects of charity in any State and at any time.

It would have been impossible to reach such satisfactory results, and reduce the issue of supplies to so small proportions, had not employment

\* For report of the chief medical officer, and tabular statement, see Appendix A.

† See Circular No. 11, War Department, Bureau of Refugees, Freedmen and Abandoned Lands, April 3, 1867. †

been found for a great multitude of able-bodied men and women, who, when first set free, knew not where to look for remunerative labor. I believed that the demand for labor was sufficient, and that the freedmen were willing to work. The majority of planters were anxious to cultivate their lands, and their former slaves were equally anxious to earn an honest living. But each class naturally distrusted the other. The one feared to incur the risk and expense of planting without some security stronger than the stimulus of promised wages, that hired labor could be depended upon as permanent. The other very naturally feared to trust the intentions and promises of men who had always reaped the fruits of unpaid toil. I was appealed to for a settlement of this great labor question. Letters from all parts of the country besought me and my assistant commissioners to enforce a specific rate of wages, and to exercise power in one way or another over the laborer to compel him to work. All such appeals were resisted. Officers and agents of the Bureau were instructed\* to do all in their power to remove prejudice, to restore mutual confidence, and to quicken and direct the industry of the people. At the same time they were cautioned against giving countenance to any substitute for slavery. "Negroes must be free to choose their employers." "No fixed rate of wages will be prescribed, but the law of supply and demand must govern." "No substitute for slavery, like apprenticeship, without proper consent, or peonage, will be tolerated."† While the rights of the freedmen were thus proclaimed in printed circulars and public addresses, care was also taken to instruct them in respect to their duties. They were assisted in finding good places and in making fair bargains. To secure fairness and inspire confidence on both sides, the system of written contracts was adopted. No compulsion was used, but all were advised to enter into written agreements and submit them to an officer of the Bureau for approval. The nature and obligations of these contracts were carefully explained to the freedmen, and a copy filed in the office of the agent approving it, for their use in case any difficulty should arise between them and their employers. The labor imposed upon my officers and agents by this system was very great, as is evinced by the fact that in a single State not less than fifty thousand (50,000) such contracts were drawn in duplicate and filled up with the names of all the parties. But the result has been highly satisfactory. To the freedman, the Bureau office in this way became a school in which he learned the first practical business lessons of life, and from year to year he has made rapid progress in this important branch of education. Nor can it be doubted that much litigation and strife were prevented. It could not be expected that such vast and complicated machinery would work without friction. The interests of capital and labor very often clash in all communities. The South has not been entirely exempt from troubles of this kind. Some employers have been dishonest and have attempted to defraud the freedmen of just wages. Some laborers have been unfaithful and unreasonable in their demands. But in the great majority of cases brought before the Bureau for settlement, the trouble and misunderstanding have arisen from vague verbal bargains and a want of specific written contracts. A few quotations from the reports of assistant commissioners will show that even in such an unfavorable condition of affairs as the late rebel States presented, free labor under the contract plan has proved a success. "In those districts where good wages have been paid no difficulty has been found in

\* See Circular No. 5, War Department, Bureau Refugees, Freedmen and Abandoned Lands, May 30, 1865.

† See Circular No. 11, War Department, Bureau Refugees Freedmen and Abandoned Lands, July 12, 1865.

employing freedmen. They have been working industriously and quietly. Many planters have expressed their approbation of the conduct of the freedmen, and given officers of the Bureau credit for aiding in settling labor upon just principles.\* "The contract system works favorably. In one section it was complained that employers desired to turn off their laborers before the gathering of the crops. But few complaints are made against freedmen for refusing to work. The approval of contracts by agents of the Bureau has had an excellent effect in securing a compliance with their provisions. The freedmen of the State have been almost universally at work and supporting themselves.†

"The general condition of the freed people is promising. They have entered into contracts with a unanimity and willingness beyond the expectations of the most sanguine, and citizens and officers bring most flattering reports commendatory of their good conduct. Planters assert that in most cases they are doing more work than was ever done under the old system of forced labor.‡ "The Bureau still retains an important and vital relationship to the agricultural interest of the State. Planters depend upon it to some extent to make laborers reliable, freedmen that they may be aided in obtaining their wages. It is believed that the labor system of Georgia, as organized by the Bureau, if left at this time to the control of State agencies, would be practically broken up.§

"Bureau officers have extended supervision over freedmen's contracts, and the result has been to the advantage of all. In not a single instance where contracts have been made in accordance with the mode prescribed by the Bureau has a complaint been made by either of the parties to the contract, while on the other hand, when the Bureau has been ignored, complaints by both employé and employer have been frequent. The reason is obvious: both parties understand the contract when explained by the agent, and know that the influence of the Bureau will be thrown against the parties violating it, while in those contracts in which the Bureau is ignored a majority of the bargains are vague and ill-defined, meaning anything or nothing; many are mere verbal agreements, made without witness.¶ "Many planters in the wealthy districts, where a large number of freedmen are employed, acknowledge the aid rendered to the planting interests by the Bureau. They say that a lack of confidence existed between the freedmen and the planters until the assistant commissioner inaugurated a system by which freedmen could be employed and receive some security that their labor would be paid for. Officers of the Bureau visited plantations and explained the duties and rights of employer and employé; the result has been good.¶¶ "The freedmen have worked well; most of them have by experience acquired sufficient knowledge not only to understand the obligations of contracts, but to enter into no agreement contrary to their apparent interests; and the policy of the assistant commissioner has been such as, while requiring freedmen to carry out their obligations, would compel employers to an equal observance of them.\*\*

"Freedmen are working well, and abiding by their contracts in good faith. Officers of the Bureau retain control over the registration and supervision of the contract system, which is quite successful.††

\* Report of General O. Brown, assistant commissioner of Virginia.

† Report of General I. C. Robinson, assistant commissioner of North Carolina.

‡ Report of General R. K. Scott, assistant commissioner of South Carolina.

§ Report of General D. Tillson, assistant commissioner of Georgia.

|| Report of General P. H. Sheridan, assistant commissioner of Louisiana.

¶ Report of General J. B. Kiddoo, assistant commissioner of Texas.

\*\* Report of General A. C. Gillem, assistant commissioner of Mississippi.

†† Report of General J. W. Sprague, assistant commissioner of Florida.

A vast amount of such testimony to the industry and progress of the freed people could be gathered from the records of this office, and it is confirmed by the fact that the great mass of freedmen are now self-supporting, and that many have commenced planting and other business on their own account. In spite of all disorders that have prevailed and the misfortunes that have fallen upon many parts of the South, a good degree of prosperity and success has already been attained. To the oft-repeated slander that the negroes will not work, and are incapable of taking care of themselves, it is a sufficient answer that their voluntary labor has produced nearly all the food that has supported the whole people, besides a large amount of rice, sugar, and tobacco for export, and two millions of bales of cotton each year, on which was paid into the United States Treasury during the years 1866 and 1867 a tax of more than forty millions of dollars, (\$40,000,000.) It is not claimed that this result is wholly due to the care and oversight of this Bureau, but it is safe to say, as it has been said repeatedly by intelligent southern men, that without the Bureau or some similar agency, the material interests of the country would have greatly suffered, and the government would have lost a far greater amount than has been expended in its maintenance.

Probably much more might have been done to develop the industry and energy of the colored race if I had been able to furnish each family with a small tract of land to till for themselves; and it was the evident intention of the act establishing the Bureau to give it control of all abandoned lands solely for the purpose of assigning, leasing, or selling them to refugees and freedmen. But before arrangements could be perfected for carrying out this intention, I was ordered by President Johnson to restore abandoned property to its former owners, upon their presenting either a special pardon or the oath required by his own proclamation of amnesty, or that of his predecessor in office. This order rendered the tenure of the Bureau upon such property so uncertain, that the idea of dividing it and providing families with homesteads from it was, of necessity, given up. Still its possession for a short period was not entirely useless. Of the nearly eight hundred thousand (800,000) acres of farming land and about five thousand (5,000) pieces of town property transferred to this Bureau by military and treasury officers, or taken up by my assistant commissioners, enough was leased to produce a revenue of nearly four hundred thousand (\$400,000) dollars. Some farms were set apart in each State as homes for the destitute and helpless, and a portion was cultivated by freedmen prior to its restoration. Many were bitterly disappointed when the plan contemplated by the act establishing the Bureau was abandoned, but the disaffection and trouble arising therefrom were overcome and settled without resort to violence.

Some relief and compensation were given by the act of Congress approved June 21, 1866, which opened for entry, by colored and white men without distinction, all the public lands in the States of Alabama, Mississippi, Louisiana, Arkansas, and Florida. Information was published through my officers and agents respecting the location and value of these public lands, and the mode of procedure in order to obtain possession of them. Surveys were made and some assistance granted in transporting families to their new homes.\* Want of teams and farming implements, as well as opposition from their white neighbors, prevented many from taking the benefit of this homestead act; but about four thousand families have faced and overcome these obstacles, have acquired homes of their own, and commenced work with energy, building houses and planting. In a few instances freedmen have combined their means

and purchased farms already under cultivation. They have everywhere manifested a great desire to become land-owners, a desire in the highest degree laudable and hopeful for their future civilization. Next to a proper religious and intellectual training, the one thing needful to the freedmen is land and a home. Without that a high degree of civilization and moral culture is scarcely possible. So long as he is merely one of a herd working for hire, and living on another's domain, he must be dependent and destitute of manly individuality and self-reliance.

But the most urgent want of the freedmen was education; and from the first I have devoted more attention to this than to any other branch of my work.

My former reports on this subject and those of the general superintendent of education have been so full, that a very brief review only is here needed. I found many schools already in existence in those localities that had been for some time within the lines of our armies; these had been established and maintained to a great extent by benevolent associations of the North. As early as September 17, 1861, the American Missionary Association commenced a school for "contrabands" at Hampton, near Fortress Monroe. On the 8th of January, 1862, Rev. Solomon Peck, D. D., of Boston, established a school at Beaufort, South Carolina. Another was opened at Hilton Head the same month by Barnard K. Lee, jr. A more general movement was inaugurated by the efforts of E. L. Pierce, esq., of Boston, and Rev. M. French; and on the 3d of March, 1862, about sixty (60) teachers and missionaries were sent out by societies organized in Boston and New York. Others followed; some working independently, others supported by local churches, and others by new relief associations formed in Philadelphia, Cincinnati, Chicago, and other towns. In the early part of 1864 an efficient school system was instituted in Louisiana by Major General Banks, then in command of that State. I did not attempt to supersede these benevolent agencies already engaged in the work of education, but gave them every possible facility for continuing and enlarging their operations. Though no appropriations had been granted by Congress for this purpose, by using the funds derived from rents of "abandoned property," by fitting up for school-houses such government buildings as were no longer needed for military purposes, by giving transportation for teachers, books, and school furniture, and by granting subsistence, I was able to give material aid to all engaged in the educational work. With the aim to harmonize the numerous independent agencies in the field, and to assist all impartially, I appointed a superintendent of schools for each State,\* who should collect information, encourage the organization of new schools, find homes for teachers, and supervise the whole work. The law of July 16, 1866,† sanctioned all that had been previously done, and enlarged my powers. It authorized the lease of buildings for the purposes of education, and the sale of "Confederate States" property to create an educational fund. Appropriations were also made for the "rental, construction, and repairs of school buildings." This enabled me to give a more permanent character to the schools, and to encourage the establishment of institutions of a higher grade. In each State at least one normal school has been organized for the training of teachers, and several chartered colleges for the freed people are already in successful operation. In addition to these, an institution of still higher grade, a university, has been founded in this district, incorpor-

\* See Circular No. 11, War Department, Bureau Refugees, Freedmen and Abandoned Lands, July 12, 1865.

† House resolution, No. 613.

ated by Congress, and designed to furnish facilities for classical, scientific, and professional culture. In all the schools of every grade the number of pupils has steadily increased, and the standard of scholarship has rapidly advanced. At the end of the first year, July 1, 1866, the official report gave nine hundred and seventy-five (975) schools, one thousand four hundred and five (1,405) teachers, and ninety thousand seven hundred and seventy-eight (90,778) pupils. In 1867 the numbers reported were one thousand eight hundred and thirty-nine (1,839) schools, two thousand and eighty-seven (2,087) teachers, and one hundred and eleven thousand four hundred and forty-two (111,442) pupils. In 1868 there were one thousand eight hundred and thirty-one (1,831) schools, two thousand two hundred and ninety-five (2,295) teachers, and one hundred and four thousand three hundred and twenty-seven (104,327) pupils; and in 1869, official reports give two thousand one hundred and eighteen (2,118) schools, two thousand four hundred and fifty-five (2,455) teachers, and one hundred and fourteen thousand five hundred and twenty-two (114,522) pupils.

These figures do not include many evening and private schools which have not been reported. It is believed that not less than two hundred and fifty thousand (250,000) colored adults and children have received some instruction during the past year.\* Too much praise cannot be bestowed upon the noble band of Christian teachers who have carried on successfully this work of education. Many of them have come from the very best circles of refined and cultivated society, and have been exposed to privations, hardships, and perils which would have discouraged any who were not moved by the spirit of the Divine Teacher. To them belongs the credit in great measure for all that has been accomplished. They have done the hard work; they have been the rank and file in the long fight with prejudice and ignorance. When they first entered the field as teachers, so general and bitter was the opposition to the education of the blacks, that scarcely one white family dared to welcome them with hospitality. When they were insulted and assailed, very few had the courage to defend them; but their good conduct finally overcame prejudice, and better sentiments have gradually grown up in many parts of the South. Hostility to teachers and schools has in a great measure ceased. Since the freedmen have been invested with all the rights and privileges of freemen, and already exert a powerful political influence, it is admitted by all intelligent and fair-minded people that they must be educated, or they will become the tools of demagogues, and a power for evil rather than for good. This necessity has already led to the organization of a system of free schools in some of the reconstructed States. Until this is done in every State, and such public schools are in practical operation, the safety of the country, and especially of the South, will demand the continuance, by some agency, of the educational work now carried on by this Bureau. Not only this, but means should be provided for greatly extending these operations to meet the wants of the whole people. The foregoing report shows that not more than one-tenth of the children of freedmen are attending school. Their parents are not yet able to defray the expenses of education. They are already doing something, probably more in proportion to their means, than any other class. During the last year it is estimated that they have raised and expended for the construction of school-houses and the support of teachers not less than two hundred thousand dollars, (\$200,000.) They have shown a willingness to help, and as they prosper and acquire prop-

\* For tabular statement and abstract of the general superintendent's report, see Appendix E.

erty, they will assume a larger share of the burden, either by voluntary contributions or by the payment of taxes for the support of schools.

The poverty of the freed people has been in some slight degree relieved by the payment of bounties and other moneys due from the government to soldiers, sailors, and marines. These payments have been made through this Bureau, in accordance with a joint resolution of Congress approved March 29, 1867. Previous to that time the claims of colored soldiers were paid upon their order to the attorneys and claim agents who had prepared and forwarded the applications. Great complaint was made that the soldiers were defrauded of their money. Some attorneys, after getting possession of a large number of claims, held the papers, and then, by representing that it would require years to untie the red tape in Washington, and get them settled, they bought them at a small percentage of their value. Others charged exorbitant fees, which often ate up nearly the whole amount paid. Others, with apparent generosity, offered to collect the claims for a share of the proceeds, or to advance a part of the sum due, taking a note for the amount, with interest, at the rate of fifty, one hundred, and in some cases as high as one hundred and fifty per cent. By numerous crafty devices, dishonest villainy imposed upon confiding ignorance, and the colored soldiers became the victims. They appealed to the Bureau for protection against such wrongs. At first all that could be done was to prepare for those who still retained their claims the necessary papers for the prosecution and settlement of the same without fees, thus saving large sums which would otherwise have gone into the pockets of claim agents. But so long as payments were made to attorneys, a wide door for fraud was left open. The laws of July 26, 1866, and of March 29, 1867, provided for the protection of claimants, as far as law can do it. The exact fees to be allowed to claim agents are prescribed; all checks and treasury certificates issued in the settlement of claims of colored soldiers are required "to be made payable to the Commissioner of the Freedmen's Bureau," and no money, lawful fees excepted, can be paid to any other person than the claimant or his legal representatives, if deceased. No transfer nor assignment of such claims can be recognized; the claimant himself must be discovered and identified, and the amount due him be paid into his own hands "in current funds, and not in checks or drafts."

The duties imposed by these laws upon my officers and agents have been very difficult. To discover, identify, and pay claimants scattered throughout every State and Territory, has been a great and perplexing task. But by the assignment of a few agents in each southern State to this special duty, so that they may become familiar with the business in all its details, it is done with accuracy and fidelity. Since April 17, 1867, when the first treasury certificate was received, the total amount paid (including lawful fees and expenses) has been five millions eight hundred and thirty-one thousand four hundred and seventeen dollars and eighty-nine cents, (\$5,831,417 89.)

The balance in the United States Treasury now due to claimants who have not yet been "discovered and identified," is one million two hundred and twenty thousand six hundred and sixty-six dollars and fifty-two cents, (\$1,220,666 52.)

A complete and minute record of every case is kept, so that its entire history may be easily traced.

Four thousand six hundred and four claims have been already filed and settled through this Bureau, and three thousand three hundred and eleven filed by it are now pending settlement. Eighteen thousand such claims of colored soldiers are now on file in the Auditor's office awaiting



settlement, and six thousand certificates in settlement of claims are now temporarily suspended in the same office. The number of claims of colored sailors and their heirs on file in the Fourth Auditor's office is not definitely known, but it is probably proportionately large. And in addition to those now pending it is believed that there are at least twenty-five thousand claims outstanding for which no applications have as yet been made. Much therefore must yet be done to complete the business of paying bounties; and it is believed that the system now in operation will accomplish it as honestly and economically as any that can be devised. It is not possible by any machinery to furnish absolute security to both claimants and the government against fraud. The inventions of cupidity are almost infinite; and when no other scheme is successful, the last resort of baffled dishonesty is to turn upon the Bureau agent, with false charges in the public prints, for the purpose of getting him disgraced and removed.\*

So far as I have had authority and power I have endeavored to protect the freedmen from all kinds of abuse and injustice to which they were exposed in a region for a time destitute of civil government, and among a people bitterly hostile to their emancipation. Their freedom had been guaranteed by the proclamation of President Lincoln and by the laws of Congress, and to this Bureau was committed the trust of making good the solemn pledge of the nation. The methods pursued have differed according to circumstances. Under general instructions approved by the President,† the assistant commissioners instituted a great variety of means and expedients to settle disputes, "adjudicate difficulties arising between negroes themselves, or between negroes and whites," and to bring offenders to justice. In all important cases where civil courts existed they were first resorted to; but when such courts would not admit the testimony of negroes nor treat them as equals before the law with whites, appeal was made to military tribunals or under the civil rights bill‡ to the United States courts. In some districts provost courts were established by the military commanders, in others "freedmen's courts," and "boards of arbitration," consisting of Bureau officers and citizens, for the settlement of ordinary complaints. The cases brought before these courts, and the reports of their proceedings, show that instances of violence and cruelty towards freedmen have been very numerous, and that the duties of Bureau officers have been complicated and perplexing. One assistant commissioner reports§ three thousand four hundred and five (3,405) cases adjudicated in a single quarter, which, taken as a fair exponent of the business, gives more than one hundred thousand (100,000) complaints heard and acted upon by Bureau officers in a single year. The reports of murders, assaults, and outrages of every description were so numerous, and so full of horrible details, that at times one was inclined to believe the whole white population engaged in a war of extermination against the blacks. But careful investigation has proved that the worst outrages were generally committed by small bands of lawless men, organized under various names, whose principal objects were robbery and plunder. There was no civil government with strength enough to arrest them, and they overawed and held in terror the more quiet citizens who were disposed to treat the freedmen with fairness and humanity. But for the presence of Bureau officers, sustained by a military force,

\* For tabular statement and report of the chief of the claim division see Appendix F.

† See Circular No. 5, War Department, Bureau R. F. and A. L., May 30, 1865.

‡ Section 61, April 9, 1866.

§ Report of assistant commissioner of North Carolina.

there would have been no one to whom these victims of cruelty and wrong could have appealed for defense. And the evils remedied have probably been far less than the evils prevented. No one can tell what scenes of violence and strife and insurrection the whole South might have presented, without the presence of this agency of the government to preserve order and to enforce justice. Several officers and agents have been severely wounded, and some have lost their lives in this service. Fallen in the faithful discharge of duty, in brave defense of right, in heroic protection of the weak and poor, their names deserve a place on their country's "Roll of Fame."

When the Bureau was established it was believed that the abandoned lands and other captured "Confederate States" property, which came under charge of the Bureau by the terms of the law creating it, would furnish a sufficient revenue for its support. Therefore, no appropriations were made by Congress to defray its expenses until July, 1866, after the greater portion of the "abandoned property" had been restored to its former owners. The money accrued before and since the organization of this Bureau from rent of lands, sale of crops, school taxes and tuition, and sale of "Confederate States" property, and all miscellaneous sources, was collected together and called the "Refugees and Freedmen's Fund" and the "School Fund," and has amounted to one million eight hundred and sixty-five thousand six hundred and forty-five dollars and forty cents, (\$1,865,645 40.)

Appropriations by Congress for the fiscal year ending

July 1, 1867 .....	\$6, 944, 450 00
For the fiscal year ending July 1, 1868.....	3, 836, 300 00
For relief of destitute citizens in this district.....	40, 000 00
For relief of destitute freedmen in this district.....	15, 000 00
For expenses of paying bounties in 1869.....	214, 000 00
For the support of hospitals.....	50, 000 00

Making a total, received from all sources, of.... 12, 965, 395 40

The expenditures from the organization of the Bureau, (including assumed accounts of the "Department of Negro Affairs,") from January 1, 1865, to August 31, 1869, have been eleven millions two hundred and forty-nine thousand and twenty-eight dollars and ten cents, (\$11,249,028 10.) In addition to this cash expenditure the subsistence, medical supplies, quartermaster stores, issued to refugees and freedmen prior to July 1, 1866, were furnished by the Commissary, Medical, and Quartermaster's Department, and accounted for in the current expenses of those departments; they were not charged to nor paid for by this Bureau. They amounted to two million three hundred and thirty thousand seven hundred and eighty-eight dollars and seventy-two cents (\$2,330,788 72) in original cost; but a large portion of these stores being damaged and condemned as unfit for issue to troops, their real value to the government was probably less than one million of dollars, (\$1,000,000.) Adding their original cost to the amount expended from appropriations and other sources, the total expenses of the Bureau, from its organization to August 31, 1869, have been thirteen millions five hundred and seventy-nine thousand eight hundred and sixteen dollars and eighty-two cents, (\$13,579,816 82.) And deducting fifty thousand (\$50,000) dollars trans-

\* In nearly all the southern States the interests of the freed people during the war were under the control of military officers assigned by the War Department. Thus was created the "Department of Negro Affairs," and their accounts were assumed by this Bureau from January 1, 1865.

ferred to the Agricultural Department, and five hundred thousand (\$500,000) dollars set apart as a special relief fund for all classes of destitute people in the southern States, in accordance with joint resolution of Congress approved March 30, 1867, the real cost of the Bureau has been thirteen millions twenty-nine thousand eight hundred and sixteen dollars and eighty-two cents, (\$13,029,816 82.)

The balance remaining on hand will be entirely devoted to the support of the bounty and educational divisions and the one hospital remaining in this district.

To this hospital, and to these divisions still in operation, I desire to call your special attention. No one can visit the hospital and become acquainted with the condition of its patients without seeing the necessity of maintaining it for some years. Its inmates are from all parts of the country. It would not be just to require the citizens of this district to provide for them. They are national paupers, and so long as they live their misery should be alleviated as far as possible at the nation's expense.

It is equally obvious that the payment of bounties and other moneys due colored soldiers must be continued by some agency until all shall have a reasonable time to present their claims. National honor forbids that the work should be left incomplete, and an act of Congress will be required to transfer it to some other department if this Bureau shall be entirely closed.

The educational work should not only be continued but greatly extended. If the State governments are not prepared nor willing to provide for the education of all classes, (as I hope they soon will do,) I recommend that the general government take the matter in hand. "The safety of the republic is the supreme law." There can be no safety nor permanent peace when ignorance reigns. The law of self-preservation will justify the national legislature in establishing through the Bureau of Education, or some other agency, a general system of free schools, and furnishing to all children of a suitable age such instruction in the rudiments of learning as may be necessary to fit them to discharge intelligently the duties of free American citizens.

Very respectfully,

O. O. HOWARD,  
*Brevet Major General, Commissioner.*

General W. T. SHEERMAN,  
*Secretary of War.*

## REPORT OF THE CHIEF OF ENGINEERS.

OFFICE OF THE CHIEF OF ENGINEERS,  
*Washington, D. C., October 25, 1869.*

GENERAL: I have the honor to present for the information of the General of the Army, in accordance with the instructions of the Secretary of War of the 23d instant, the following report of the duties devolving upon the Corps of Engineers for the fiscal year ending June 30, 1869 :

### OFFICERS OF THE CORPS OF ENGINEERS.

The number of officers in the Corps of Engineers at the end of the year was one hundred and eleven on the active list, and six on the retired. In addition, the corps was aided by officers detailed from other the service, and a number of civil engineers, geologists, &c.,

Since the last report the corps has lost by death an able and distinguished officer, Major M. D. McAlester, brevet brigadier general United States Army. There has been one resignation during the year, and one officer has been retired.

On June 30, 1869, the officers were distributed as follows:

On duty in the office of the Chief of Engineers, including the Chief	6
On duty with boards of engineers for fortifications.....	7
On duty with battalion of engineers.....	23
On duty, construction of fortifications.....	8
On duty, construction of river and harbor improvements.....	18
On duty, construction of fortifications, and river and harbor improvements.....	21
On duty in charge of public buildings, grounds, &c.....	1
On duty, survey of the lakes.....	6
On special duty.....	1
On leave of absence till date of resignation.....	1
Awaiting orders.....	1
Detached on duty with generals commanding divisions, departments, &c.....	22
Retired, off duty.....	2
<b>Total.....</b>	<b>117</b>

The officers detached were on duty as follows:

Brigadier General Richard Delafield, brevet major general United States Army, and Colonel Hartman Bache, brevet brigadier general United States Army, members of Light-house Board.....	2
Major C. B. Comstock, brevet brigadier general United States Army, aide-de-camp to the General of the Army.....	1
Major O. M. Poe, brevet brigadier general United States Army, engineer, secretary to Light-house Board.....	1
Major Henry M. Robert, on staff of major general commanding military division of the Pacific.....	1
Major Wm. E. Merrill, brevet colonel United States Army, on staff of the lieutenant general commanding military division of the Missouri.....	1
Major O. E. Babcock, brevet brigadier general United States Army, on duty with the President of the United States.....	1
Captain G. L. Gillespie, brevet lieutenant colonel United States Army, engineer tenth light-house district.....	1
Captain George Burroughs, brevet major United States Army, engineer sixth light-house district.....	1
Captain Wm. J. Twining, brevet major United States Army, on staff of commanding general department of Dacotah.....	1
Captain G. J. Lydecker, brevet captain United States Army, engineer eighth light-house district, west of Pearl River.....	1
Captain Charles B. Phillips, brevet captain United States Army, on staff of commanding general department of Missouri.....	1
Captain Chas. W. Raymond, on temporary duty at headquarters military division of the Pacific.....	1
Captain Lewis C. Overman, on staff of commanding general fifth military district.....	1
First Lieutenant George M. Wheeler, on staff of commanding general department of California.....	1
Captain P. S. Michie, brevet lieutenant colonel United States Army,	

Captain W. H. H. Benyaure, brevet major United States Army,  
 First Lieutenant M. R. Brown, First Lieutenant James C. Post,  
 First Lieutenant Henry M. Adams, First Lieutenant James Mer-  
 cur, and First Lieutenant Charles E. L. B. Davis, on duty at  
 Military Academy.....

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The following officers of the army were on duty during the year under my orders, namely: Brevet Major General J. H. Wilson, lieutenant colonel United States Army; Second Lieutenant E. T. Hoffman, United States Army.

The following principal civil engineers and geologists were employed during the year: W. Milnor Roberts, Clarence King, H. C. Long, and D. C. Jenné, while besides these were many others employed as assistants on the works of survey and improvement.

#### SEA COAST AND LAKE FRONTIER DEFENSES.

During the past year very moderate progress has been made, and only upon those portions of the defensive works no questions concerning which are involved in the solution of the problems that are the subject of experiment. Progress was thus restricted, because of the smallness of the appropriations for fortifications. Much larger sums have been asked for by me, and could be used with advantage as well as economy.

Investigations relating to the use of metals for defensive purposes have been continued, and with results which have at least shown in what cases we cannot yet enter upon the use of materials, the preparation of which in this country has not attained the perfection which our purposes require, and suggest the question whether the results reached in other countries have proved satisfactory. But little information is made public in Europe upon the subject. It cannot be ascertained whether the use of iron or its compounds has been definitely adopted as a constituent of those parts of defensive works that are exposed to the fire of heavy artillery, while thus far it appears that in its application to ships this metal does not afford the desired resistance to heavy shot.

In these investigations varieties of iron from different parts of the country have been procured and tested, and experiments have been made with lead concrete in combination with iron, and with several other forms of compound targets. These experiments were made with a gun of small caliber, and in connection with a testing machine and other apparatus; some of the tests applied being such as to develop information relative to the use of the materials for purposes of civil as well as military engineering. A detailed report of these experiments has been nearly completed, which should be printed and distributed to the corps.

The importance of securing additional cover for barbette guns in earthen batteries, a point also presented in last year's report, has received due attention. Drawings and descriptions of numerous inventions for this purpose have been collected and distributed to the corps, and several new devices have been originated by officers of engineers. One of these latter, a modification of the present barbette carriage and platform, mounting a fifteen-inch gun, has been tested experimentally with maximum charges of 100 pounds of powder, and solid shot weighing 432 pounds. The results are believed to justify the opinion that this method of mounting guns is not only practicable so far as to secure the necessary cover, but

that our heavy guns may be worked in this manner with a reasonable number of men, and without the aid of steam power or other auxiliaries of questionable utility.

The magnitude of this experiment compares with that of Captain Moncrieff, the only similar one of which we have information, as follows:

Weight of gun .....	50,000 pounds.
Weight of shot used in the experiments, (old pattern).	432 pounds.
Weight of charge.....	100 pounds.
Caliber of gun.....	15-inch.
Descent of gun during recoil.....	5 feet.

Weight of gun, (Captain Moncrieff's) .....	15,000 pounds.
Weight of shot .....	115 pounds.
Weight of charge.....do.....	22 pounds.
Caliber of gun.....do.....	7-inch.
Descent of gun during recoil.do.....	3 feet.

The experimental structures at Old Point Comfort and Fort Delaware mentioned in last year's report, have been completed and subjected to the necessary firings. Several important results have been developed by these trials. It may be anticipated that with further research and deliberation the use of iron will be found practicable in shielding casemate guns in our existing masonry casemates, in cases where such protection is considered necessary. The present difficulties are its excessive cost, and the insufficiently developed condition of the processes of metal working in this country. Before applying iron or its compounds as a sole material for gun covers in new works, its cost must be reduced and the means of supplying it must be increased.

For these reasons it appears to be inexpedient at present to press the question of the special employment of iron in our defensive works to a solution which would probably be premature. While investigation as to such employment goes on, it is proposed to strengthen our defenses by the use of approved materials, and by the introduction into them of elements and accessories, the value of some of which has been developed by the events of our late civil war, while the changes in naval construction have given a prominence to others heretofore recognized as serviceable, but which have not as yet been systematically applied.

Such accessories and meliorations of our works, with comparatively few casemate covered guns, will as fully assure as heretofore the security of our great seaboard cities, naval establishments, and harbors of refuge and rendezvous.

As the early completion of these proposed modifications of our defenses involves only moderate expenditures, it is earnestly recommended that Congress provide for this by making the requisite appropriations.

To exhibit the subject somewhat more in detail, it is to be said the board of engineers for fortifications, to which was committed the duty of preparing the experimental structures referred to, and of making the necessary trials of them, presented the following conclusions in their report upon the subject, recommending:

First. The preparation at appropriate positions of powerful barbette batteries for the largest calibers of guns, carefully protected by traverses and parados, and liberally furnished with magazines and bomb-proofs.

Second. The substitution of a depressing gun-carriage for the model now in use. This substitution will provide for the descent of the gun upon discharge entirely below the level of its earthen covers, so that the piece and its gunners will be thoroughly sheltered from an enemy's fire.

Third. The free introduction of large mortars in the defensive arrangements. These will act effectively upon the thin decks of vessels whose sides are heavily armored; and they admit of being placed upon ground not suitable for gun batteries, are easily isolated and covered, and of moderate cost.

Fourth. The employment of torpedoes as an accessory, using the engineer battalion for experimentally developing the system and for applying it to actual defense. Torpedoes are of little cost, can be easily preserved, and readily placed in position. Their value has been well shown in the Crimean war, in the Baltic, and in our southern waters during our late war.

Fifth. The use of obstructions and floating batteries, as heretofore recommended in previous projects for the defense of our coast.

The views of the board are in accordance with my own convictions, and have been approved by the General of the Army and by the Secretary of War, upon being laid before them by me, with favorable recommendation.

Specific projects for the defense of our principal ports and harbors are now in process of preparation, in conformity with these approved determinations, and it is for the execution of these, so far as presented, as well as for the furtherance of work already in progress which conforms to these views, and for necessary repairs and preservation of sites, that the estimates of the year have been made. It is hoped they will receive the approval of Congress.

The board of engineers for fortifications has already submitted the projects, in great part, for modifying the defenses of New York, Philadelphia, and Boston, and a brief statement in relation to them will be found under the heading of each work or position, together with the estimates of cost.

At other points similar meliorations, in a greater or less degree, have been considered in preparing the estimates for the next fiscal year.

#### FORTIFICATIONS.

*Fort Wayne, Detroit, Michigan, in charge of Colonel T. J. Cram, brevet major general United States Army.*—Operations at this work have been carried on through the year, resulting as follows: The widening of the ditch has been completed, and its bottom covered with soil and seeded. The embanking, soil-covering, and sodding of the counterscarp have been completed except at the demilune. The glacis has been completed on the northwest or land front, and the east face of the north bastion, and the counterscarp raised to the same height as for the rest of the counterscarp of the main work. At the foot of the glacis an open ditch for drainage has been constructed and sodded. The gap left in the scarp of the main work for communication has been appropriately filled. Nothing has been done on the lateral exterior batteries except embanking in their parapets five hundred and fifty cubic yards of earth from the ditch, and the making of the arch centers and doors of the magazines. A substantial fence to inclose the glacis has been commenced. The old cellar excavations have been completely filled, leaving the parade ground in good condition. The operations contemplated for the present year are: To complete the fence and drain around the foot of the glacis; to complete the thickening of the embankment in front of counterscarp crest; to cover the arch of the demilune magazine with mastic and earth; to complete soiling and seeding the glacis.

remove the present road leading from the engineer dock out, so as to be exterior to the lateral battery.

No appropriation asked for the next fiscal year.

*Fort Niagara, mouth of Niagara River, New York, in charge of Lieutenant Colonel C. E. Blunt, brevet colonel United States Army, Major M. D. McAlester, brevet brigadier general United States Army, and Major Nicholas Bowen, brevet colonel United States Army.*—During the past year the force on this work has been employed as follows: The sallyport arch and entrance, with parapet above it, have been completed; casemate arches concreted, covered with mastic and finished; entrance to flank casemate completed; rampart and parapet of the flanks have been extended forward to the scarp wall; brick masonry of the flanking gallery finished except the coping; the walls of the small postern communicating with the gallery have been built and the arch turned; all dry stone filling behind walls finished, and the old scarp timbers entirely removed. During the year ending June 30, 1870, it is intended to continue and complete the land front, and repair United States buildings, wharf and crib jetties.

No appropriation asked for the next fiscal year.

*Fort Ontario, Oswego, New York, in charge of Lieutenant Colonel C. E. Blunt, brevet colonel United States Army, Major M. D. McAlester, brevet brigadier general United States Army, and Major Nicholas Bowen, brevet colonel United States Army.*—During the past year the force on this work has been engaged on the scarp wall; forming and sodding parapet of front No. 4; completing the masonry and joiners' work of the two guard-houses, and making them ready for occupancy. During the year ending June 30, 1870, it is proposed to continue the raising of the scarp wall on all fronts to the required references; commence masonry of loop-hole galleries of bastions D and E, and quarry and dress stone for same; continue the formation of parapets and slopes; grade and drain the ditch; make and hang gates for sallyports, &c.

No appropriation asked for the next fiscal year.

*Fort Montgomery, outlet of Lake Champlain, New York, in charge of Captain J. W. Barlow, brevet lieutenant colonel United States Army.*—During the year staircase bastion C has been raised to the height of 39'.78; the adjoining pier completed; the south end of parade wall of curtain III raised to 39'.58, and that of the west end of curtain II to 38'.33. The last main arch and drain of curtain III and the remaining two of bastion C have been turned. The second floor arches of one suite of rooms in the quarters, and the roofing of curtain III and bastion C, have been completed. The terreplein of the former and a part of the latter have been filled with earth. The stone facing of the west salient of cover-face has been raised to its full height, and the cover-face embanked with earth.

It is proposed to replace the wooden floors of curtains I and V, and bastions A and E, with masonry; rebuild counterscarp, and make some other necessary repairs.

Appropriation asked for the next fiscal year, \$65,000.

*Fort Knox, Bucksport, Penobscot River, Maine, in charge of Lieutenant Colonel George Thom, brevet brigadier general United States Army, and Lieutenant Colonel James C. Duane, brevet brigadier general United States Army.*—During the past fiscal year the exterior slope of the north covered way was rebuilt with a stone facing of rough granite to a reference of eight feet below the interior crest, and repairs of the northern and western exterior slopes of the northeast place-of-arms were completed.



Appropriation asked for the next fiscal year, \$25,000.

*Fort Popham, mouth of Kennebec River, Maine, in charge of Lieutenant Colonel George Thom, brevet brigadier general United States Army, and Lieutenant Colonel James O. Duane, brevet brigadier general United States Army.*—The appropriation for this work having been exhausted, operations were suspended and no expense, except for the care and preservation of the work, has been incurred. At the close of the year ending June 30, 1869, a board roofing was built over the unfinished casemates of the fort to protect them against the weather.

Appropriation asked for the next fiscal year, \$25,000.

*Fort Gorges, Portland Harbor, Maine, in charge of Lieutenant Colonel George Thom, brevet brigadier general United States Army, and Lieutenant Colonel James O. Duane, brevet brigadier general United States Army.*—During the past year the two magazine traverses on the gorge, and the bomb-proofs on fronts I, IV, and V, of the barbette tier, were completed. On the completion of these operations—the appropriation having been exhausted—fronts II, III, IV, and V, and the angles I-VI and V-VI, as well as the finished bomb-proofs and magazines, were covered with a substantial board roofing for protection against the weather. One hall and six rooms in the quarters were finished during the year.

Appropriation asked for the next fiscal year, \$25,000.

*New Fort Preble, Portland Harbor, Maine, in charge of Lieutenant Colonel George Thom, brevet brigadier general United States Army, and Lieutenant Colonel James O. Duane, brevet brigadier general United States Army.*—During the past year the magazine traverse in the south battery was completed. The excavation for the new magazine in the old inclosed work was executed; the foundation walls built, and the walls of the magazine carried up to the spring line of the arches. A portion of the parade in the rear of the water fronts was filled in. Scarps A and B (new fronts of old inclosed work) and gun platforms and recesses were pointed. A considerable quantity of stone was dressed for the magazine, and the brick barracks in the inclosed work were demolished.

Appropriation asked for the next fiscal year, \$50,000.

*Fort Scammel, Portland Harbor, Maine, in charge of Lieutenant Colonel George Thom, brevet brigadier general United States Army, and Lieutenant Colonel James O. Duane, brevet brigadier general United States Army.*—During the year magazine traverse C in the main work was built and the excavation for the drains leading from the magazine was completed. The site for magazine traverse B has been excavated.

Appropriation asked for the next fiscal year, \$50,000.

*Fort McOlary, Portsmouth Harbor, Kittery Point, Maine, in charge of Lieutenant Colonel J. G. Foster, brevet major general United States Army.*—No work has been done during the fiscal year except the receipt of materials previously contracted for, and guarding and preserving the materials and machinery on hand.

Appropriation asked for the next fiscal year, \$75,000.

*Fort Constitution, Portsmouth Harbor, New Hampshire, in charge of Lieutenant Colonel J. G. Foster, brevet major general United States Army.*—No work performed except guarding and preserving the machinery and materials on hand.

No appropriation asked for the next fiscal year.

*Fort Warren, Boston Harbor, Massachusetts, in charge of Colonel H. W. Benham, brevet major general United States Army.*—The work of the fiscal year comprises the completion of the masonry and earth-work of the bomb-proof traverse of the cover face of front 2. The repairs of the casemate leaks in the officers' quarters, at each flank of front 3; the

repairs of several land slides on the ravelin, upon cover-face of the gorge, (front 3,) and on the interior, below the ramps; the commencement of extensive repairs of leaks over casemates of front 2; the rebuilding of a carpenter's shop, and the essential completion of the rebuilding of the quarters of the engineer workmen. It is very important that this fine work, occupying so favorable a position for the defense of the anchorage of Nantasket Roads and the main outer channel, should be prepared, at as early a day as practicable, for as many of the most powerful sea-coast guns as can, with adequate protection, be placed in it without too great cost. A project for its modification in accordance with this view has been prepared. It is proposed to modify the principal barbette earthen batteries of the work in a manner to furnish emplacements for a large number of heavy guns, with the requisite magazine traverses and paradors for protecting them against enfilade and reverse fires.

Estimated cost of modifications, \$402,400. Appropriation asked for the next fiscal year, \$200,000.

*Long Island Head, Boston Harbor, Massachusetts.*—The United States having, under the act of Congress approved March 28, 1867, acquired possession of this headland, well situated for the defense of Broad Sound and the main ship channel, it is proposed to construct upon it a barbette earthen battery for heavy guns, with the requisite magazine traverses and paradors.

Estimated cost of battery, \$175,000. Appropriation asked for the next fiscal year, \$175,000.

*Fort Winthrop, Boston Harbor, Massachusetts, in charge of Colonel H. W. Benham, brevet major general United States Army.*—The operations at this work during the year have comprised the completion of the long bomb-proof tunnel-way, connecting the tower ditch and the south battery with its covering of asphalt and earth, and the construction of a bomb-proof traverse opposite the entrance to the tunnel (to protect it) on the south battery. The grading and sodding of the earthen counter-scarp slopes on the north and west sides of the tower were finished, and the grading of these slopes on the remaining sides has been nearly completed. The open covered way, or stairs, between the south and southwest batteries, has been constructed, and the surplus earth arranged in a parapet embankment for further protection. Several earth slides of the traverse slopes have been repaired, and the earthen parapet of the west front of the work around the tower has been commenced. It is expected that the whole west half of this outwork, except its breast-height wall, will be completed during the present working season. It is proposed to construct a sea-wall to protect the bluff in front of the east battery, and to arrange the covered ways of the keep for the reception of a battery of very large guns; to fit the east battery for a like armament, instead of its present artillery; to make similar alterations of the south and west batteries, and to provide new and modify existing magazines, traverses, and paradors of the work, for the reception of larger supplies of ammunition, and for the better protection of the work against reverse or enfilade fire.

Estimated cost of the modifications, \$138,000. Appropriation asked for the next fiscal year, \$138,000.

*Fort Independence, Boston Harbor, Massachusetts, in charge of Colonel H. W. Benham, brevet major general United States Army.*—The work of the year has been essentially as follows: The construction of a magazine to the southeast exterior battery, and the completion of the bomb-proof traverse adjacent, with the regulation of the ground near; the repair

of the slopes of the northwest exterior magazine, and the temporary protection of the southeast shore by an "apron" facing of rough stone. Plans for the modification of this work have been prepared. It is proposed to substitute for the present barbette armament a number of the largest guns, thoroughly protected by traverses, parados, and parapets of increased thickness.

Estimated cost of modifications, \$106,000. Appropriation asked for the next fiscal year, \$106,000.

*Permanent defenses at Provincetown Harbor, Massachusetts.*—The preparations of a project for the defense of this harbor will be undertaken by the board of engineers for fortifications as soon as practicable.

No appropriation asked for the next fiscal year.

*Fort at Clark's Point, New Bedford, Massachusetts, in charge of Captain J. A. Smith, brevet major United States Army, and Major D. C. Houston, brevet colonel United States Army.*—The work on this fort during the past year has been as follows: The first and second tiers have been completed, except quarters; the mastic covering of roof surfaces and magazines has been completed; the three barbette magazines have been finished excepting the wood work; the breast height wall, parapet and terreplein of gorge, and the two rectangular stair towers have been completed, the roof of one being occupied by the lantern of the light-house placed there during the year; the two circular stair towers have been temporarily roofed and windows closed; the iron railings in front of magazine doors have been constructed and put up with one exception, and the pointing of the entire masonry completed. The amount estimated to complete the work, exclusive of additional batteries, for which plans have been prepared, is \$50,000.

Appropriation asked for the next fiscal year, \$50,000.

*Fort Adams, Newport Harbor, Rhode Island, in charge of Major D. C. Houston, brevet colonel United States Army.*—The work on this fort has consisted in building shot beds, repointing masonry, uncovering and asphaltting two arches in west front, repairing terreplein on east front, repairing sea-wall in front of fifteen-inch gun battery in southwest cover-face, completing new guard-house in place-of-arms east front, refacing embrasures of west front, repairing permanent wharf, making new postern gates, repairing water-closets and pumps, building in southeast bastion, earth-closets and urinal for soldiers' use, and hot-bed for drying earth for same, lackering iron railings and repairing sidewalks in main work, together with general repairs. The work contemplated for the year ending June 30, 1870, will consist in completing the earth-closets for soldiers' use, repairing brick embrasures of the fort, repointing the masonry where necessary, and making such other repairs as are necessary for the preservation of the work. To construct permanent quarters for officers, and effect necessary repairs and alterations of the fort, an appropriation is desired.

Appropriation asked for the next fiscal year, \$150,000.

*Defenses of Dutch Island, western entrance to Narragansett Bay, Rhode Island, in charge of Major D. C. Houston, brevet colonel United States Army.*—The operations on these works during the past fiscal year have consisted in altering the upper barbette battery to adapt it to an armament of fifteen-inch guns, constructing two service magazines, completing permanent wharf, repairing buildings, boats, and temporary wharf, and grading and draining in rear of fifteen-inch gun battery.

No appropriation asked for the next fiscal year.

*Fort Trumbull, New London Harbor, Connecticut, in charge of Major D. C. Houston, brevet colonel United States Army.*—The work at this

during the year has consisted in repointing the parade wall, and in the care of the work by a fort-keeper.

No appropriation asked for the next fiscal year.

*Fort Hale, New Haven Harbor, Connecticut, in charge of Major D. C. Houston, brevet colonel United States Army.*—Nothing beyond making and hanging a gate at the entrance to the reservation has been done during the year. The work has been cared for by a fort-keeper.

No appropriation asked for the next fiscal year.

*Fort Schuyler, East River, New York, in charge of Major H. L. Abbot, brevet brigadier general United States Army.*—Operations during the past year have been confined to completing the work on the new magazines, and gun platforms of the cover-face, to making necessary modifications of the casemates of the second tier to adapt them to receive the new iron carriages of the eight-inch guns, to supplying the main magazines of the fort with wire gauze gratings and galvanized iron shutters, and to minor repairs. The appropriation for the work is entirely exhausted. It is proposed to extend the casemates of the water fronts of the main work so as to admit of a sufficient terreplein for heavy guns with their magazine traverses, behind earthen instead of the present stone parapets, to arrange the cover-face for additional fire, to provide splinter proof traverses in the place of arms, to place a battery on the glacis at the north end of the covered way, and to erect a new battery with magazine traverses and paradots beyond the glacis.

Estimated cost of these modifications, \$308,000. Appropriation asked for the next fiscal year, \$160,000.

*Fort at Willet's Point, eastern entrance to New York Harbor, in charge of Major H. L. Abbot, brevet brigadier general United States Army.*—The funds available for this work being nearly exhausted, operations have been restricted to preparing the foundations for a large storage magazine, to fitting up a service magazine for the reception of powder, and to caring for the property on hand. The experiment of employing soldiers of the battalion of engineers upon the work has been tried to a limited extent with success. It is proposed to construct upon the bluff an earthen barbette battery for heavy guns with the necessary magazine traverses and paradots. Estimated cost of battery \$180,000. Appropriation asked for the next fiscal year, \$180,000.

*Fort Columbus, Governor's Island, New York Harbor, in charge of Major N. Bowen, brevet colonel United States Army, and Lieutenant Colonel John Newton, brevet major general United States Army.*—Operations have consisted in the repair of the glacis, the slopes, roads and banks, the draw-bridge, magazines and engineer buildings, and in making a new port-cullis. It is proposed to construct an earthen barbette battery for heavy guns, with its magazine traverses on the glacis of the work, at an estimated cost of \$104,000.

Appropriation asked for the next fiscal year, \$104,000.

*Castle Williams, Governor's Island, New York Harbor, in charge of Major N. Bowen, brevet colonel United States Army, and Lieutenant Colonel John Newton, brevet major general United States Army.*—The brick floors of the ground tier have been relaid, the casemates of upper tier, galleries and railings of second and third tiers, terreplein of barbette tier and magazines, repaired.

No appropriation asked for the next fiscal year.

*Fort Wood, Bedloe's Island, New York Harbor, in charge of Major N. Bowen, brevet colonel United States Army, and Lieutenant Colonel John Newton, brevet major general United States Army.*—The pavement of the sallyport has been relaid, and the masonry of the sea-wall pointed. It

is proposed to modify the exterior earthen battery of the work for the emplacement of heavy guns with their magazine traverses, at an estimated cost of \$32,000.

Appropriation asked for the next fiscal year, \$32,000.

*Fort Hamilton, New York Harbor, in charge of Lieutenant Colonel Jno. Newton, brevet major general United States Army.*—The work during the past year has consisted in altering embrasures on the east and north fronts, pointing scarp and counterscarp walls, rebuilding a portion of counterscarp wall, filling, grading, and sodding slopes in front of same, and in making several necessary small repairs.

*New Battery near Fort Hamilton, New York Harbor, in charge of Lieutenant Colonel John Newton, brevet major general United States Army.*—During the year the north and south magazines have been completed, with the exception of some work at entrances; nine magazine traverses have been finished; 3,464 lineal feet of drain built; 991 lineal feet of rubble sea-wall rebuilt; 3,407 square yards of slopes repaired and sodding re-laid. It is proposed to construct an additional earthen barbette battery, with magazine traverses for heavy guns, below the channel front of Fort Hamilton, and to extend the existing battery to supply additional emplacements for guns of like caliber, at an estimated cost of \$135,000.

Appropriation asked for Fort Hamilton and batteries for the next fiscal year, \$92,000.

*Fort Wadsworth, New York Harbor, in charge of Major Q. A. Gillmore, brevet major general United States Army.*—The only operations at this work, during the past year, were the removal of three hundred and thirty cubic yards of earth, which washed down into the road from the main slope, in rear of the fort.

No appropriation asked for the next fiscal year.

*Fort on site of Fort Tompkins, New York Harbor, in charge of Major Q. A. Gillmore, brevet major general United States Army.*—Operations at this work were confined to the completion of the south soldiers' latrine, the construction of drains, and the general repairs upon the slopes in front. The drain from the latrine to and through the sea-wall at Fort Wadsworth was finished, and the latrine turned over to the garrison. A twelve-inch iron pipe was placed in the slope connecting the north ditch of the work with the drain in the north cliff battery, and an experimental system of earthen drains was laid in the main slope in front of the work. It is proposed to complete the channel front of the fort with one tier of casemates, closed in front by a low masonry scarp with cover-face, and surmounted by a high earthen parapet, thus furnishing an elevated battery for heavy guns, with their magazine traverses; to construct an exterior earthen battery for heavy guns on the north glacis, and to complete the other unfinished parts of the work essentially as originally designed. Estimated cost of completion, \$300,000. Appropriation asked for the next fiscal year, \$60,000; in addition to which it is asked that the unexpended balance of the appropriation for new casemated battery on Staten Island be made available for this work. The amount of this balance is \$239,468 25.

*Battery Hudson, New York Harbor, in charge of Major Q. A. Gillmore, brevet major general United States Army.*—In the past year the entire slope in rear of this battery slid into the terreplein, in consequence of heavy and continuous rains, involving considerable expense in its repair. It has been restored at a more gentle slope, which promises to be enduring; and the cesspools have been protected from the wash of the by surrounding them with low walls in rear. The lining of the

principal magazines with wood was commenced. It is proposed to modify the old portion of this battery, and add some new traverses, to adapt it to the emplacement of heavy guns, and to construct an earthen extension at the south end, with the requisite traverses, and a reserve magazine, at an estimated cost of \$62,000.

Appropriation asked for the next fiscal year, \$60,000.

*New Casemated Battery on Staten Island, New York Harbor, in charge of Major Q. A. Gillmore, brevet major general United States Army.*—The operations of the past year were limited to the construction of a portion of the permanent wharf adjacent to the battery, and to the care and preservation of the work. During the current fiscal year the portion commenced will be finished by filling and paving the interior and completing the road to the shore.

No appropriation asked for the next fiscal year.

*North Cliff Battery, Staten Island, New York Harbor, in charge of Major Q. A. Gillmore, brevet major general United States Army.*—The entrance walls of the principal magazines were slightly prolonged to adapt them to the modified slope of the earth, the terreplein and roads were partly cleared of the washings from the rear slope, and the earth filled on the parapet and parados, and the covering of magazine was completed by bringing earth from the glacis of Fort Tompkins. It is proposed to construct a new magazine and three traverses, and to make some slight modifications to adapt the battery for the emplacement of guns of the heaviest caliber, at an estimated cost of \$27,000.

*South Cliff Battery, Staten Island, New York Harbor, in charge of Major Q. A. Gillmore, brevet major general United States Army.*—The rain storms of July and September, 1868, affected the slopes covering the principal magazines, and rendered repairs necessary. The earthwork was restored on the north magazine with a more gentle slope, and the side walls of the entrances were prolonged to correspond thereto. The earthwork of the south magazine was partially restored at the former slope, and revetted with salt marsh sods. Platform No. 5, injured in experimental firing, was repaired. It is proposed to modify this battery by removing some of the existing platforms, and constructing additional traverses, at an estimated cost of \$17,000.

*Fort at Sandy Hook, New Jersey, in charge of Lieutenant Colonel John Newton, brevet major general United States Army.*—The condition of the channel front remains as at the date of the last annual report. The southeast, south and southwest land fronts have been continued during the present year. The scarp of the southeast front is generally at the reference (19' 2") of the sills of the loop-holes—of the southwest at the reference (14' 10") two courses below the sills—and the (short) south front has about half the foundations and a small portion of the scarp built to the reference (7'.) During the next year it is proposed to continue operations on the land fronts.

Appropriation asked for the next fiscal year, \$150,000.

*Fort Mifflin, Delaware River, Pennsylvania, in charge of Lieutenant Colonel C. S. Stewart, brevet lieutenant colonel United States Army.*—No new appropriation having been made for the year, the property has been in charge of a watchman. Two shot furnaces have been removed. The covering of bridge from demilune to the main work has been renewed, and other necessary small repairs made. It is proposed to so modify the channel fronts and demilune as to furnish emplacements for a number of heavy guns, with the requisite magazines and traverses, and to construct a new earthen barbette battery south of the fort for heavy guns, with their magazine traverses, at an estimated cost, in all, of \$107,000.

Appropriation asked for the next fiscal year, \$107,000.

*Fort Delaware, Delaware River, Delaware, in charge of Lieutenant Colonel C. S. Stewart, brevet lieutenant colonel United States Army.*—Operations have been confined to repairing platforms of barbette guns; to the removal of closure-stones of sinks of casemate quarters and barracks, fronts four and five; and to minor repairs of wharves, bridges, quarters of employés, and of the river embankments. It is proposed to modify the bastions of this work, fitting them to furnish emplacements for heavy guns, with magazine traverses and thick earthen parapets.

Appropriation asked for the next fiscal year, \$37,000.

*Battery at Finn's Point, New Jersey.*—It is proposed to construct on this point a barbette earthen battery for guns of the largest caliber, with magazine traverses, which will cross its fire with Fort Delaware in the defense of the main channel.

Appropriation asked for this purpose for the next fiscal year, \$67,000.

*New fort near Delaware breakwater.*—A project for the occupation of this position will be prepared as soon as the board of engineers for fortifications can give the necessary attention to it.

No appropriation asked for the next fiscal year.

*Fort McHenry, Baltimore Harbor, Maryland, in charge of Colonel J. H. Simpson, brevet brigadier general United States Army.*—During the year the terreplein of water battery and ditch of main work were repaired, the brick hoods of magazines increased, to protect the doors from rain; defective drains in main work relaid; covering and slopes of magazines and slopes of water battery reformed, and magazines, where necessary, recovered with soda.

No appropriation asked for the next fiscal year.

*Fort Carroll, Baltimore Harbor, Maryland, in charge of Colonel J. H. Simpson, brevet brigadier general United States Army.*—The only work done at this fort during the year has been in repairing the temporary wharf.

No appropriation asked for the next fiscal year.

*Obstructions of the Potomac.*—It was not found practicable last year to obtain the desired co-operation of the navy in making experiments upon these obstructions. The material has been examined and painted, and is now in store. Trials will be made of the serviceableness of the obstructions as soon as arrangements can be perfected for that purpose.

No appropriation asked for the next fiscal year.

*Fort Monroe, Old Point Comfort, Virginia, in charge of Colonel Henry Brewerton, brevet brigadier general United States Army.*—During the year a new center pintle platform, for a fifteen-inch gun, has been constructed in the salient of the left bastion of front 4. The parapet in front of this platform has been increased in thickness. A front pintle platform for a fifteen-inch gun has been constructed in the covered way. One thousand running feet of roadway, inside of the fort, has been graded and covered with six inches of clay, completing this part of the work. Seven stone crossings have been built at various points. Twenty-three hundred running feet of drains, and a cess-pool, have been constructed, to facilitate surface drainage. The brick drains of the ramps have been repaired, as have the bridges and draws where needed. The scarp and counterscarp walls, below high water, have been cleaned, and the drift sand removed from the ditch opposite fronts 5 and 6. The terreplein slopes and ramps have been repaired, from time to time, as required. In the water battery and covered way the arches of fifteen casemates have been partially uncovered, the brick work removed, and the roofs repaired. The sand in front of the battery has been removed, and

the ground graded. A portion of the sustaining wall in rear of two platforms in the covered way has been taken down and rebuilt. Part of the stone revetment of the exterior slope of the covered way, opposite front 5, has been repaired, and the advanced ditch at this point cleaned out. The terreplein of the covered way has been regraded and covered with gravel for its whole length. The bridge over the sluiceway opposite front 6 has been rebuilt, and the sluice-gate taken up and repaired. The wooden revetment of the redoubt has been repaired, as have also the fences for the protection of the glacis, &c. The breakwater opposite fronts 1 and 2 has been thoroughly repaired, and a portion of it rebuilt. It is proposed to widen the terreplein, increase the thickness of the parapets of the channel fronts of the main work, lay down barbette platforms for heavy guns, construct traverses and service magazines, and remodel and finish the redoubt.

Appropriation asked for the next fiscal year, \$150,000.

*Artesian well, Fort Monroe, Virginia, in charge of Colonel Henry Brewerton, brevet brigadier general United States Army.*—During the past year operations were continued in sinking the eight-inch pipe until the lowest section of the pipe separated from the rest. This accident occurred after the pipes had reached a depth of five hundred and seventeen feet below the surface of the parade of the fort. It having been found, upon examination, that a pipe of five and a half inches exterior diameter could be passed through the disjointed pipe, it was decided to insert within the eight-inch cast-iron pipes wrought-iron tubes of four and a half inches interior diameter, with screw ends, and five hundred and eighty-five feet of this tubing were successfully inserted. At the depth of five hundred and seventy-four feet the bottom of the clay stratum was reached, when the auger passed into a mixture of clay and sand, the latter material, as the auger descended, being nearly ninety per cent. of the whole. After passing into the sand a water-bearing stratum was reached, which yielded a limited amount of saline water, which, when left undisturbed for twenty-four hours, rose in the tubing to a height of four feet six inches above the level of the parade of the fort. It is proposed to continue the operations of the well as long as a reasonable prospect exists of reaching pure water within a moderate depth.

*Fort Wool, Hampton Roads, Virginia, in charge of Colonel Henry Brewerton, brevet brigadier general United States Army.*—Operations have been confined to the construction of the magazines of the first tier. The superstructure of the magazine at the capital, including filling rooms, stairways, and passages, has been finished, and the arches turned. The first, second, third, fourth, and fifth courses of the walls of the magazine, in rear of the casemates of the west end, have been laid, as have also the greater portions of the first and second courses of the superstructure of the magazine proper, filling-rooms, and passage-ways. The foundation of the magazine and its adjuncts at the east end have been laid. It is proposed to expend the amount available in completing the magazines, &c., of the first tier, already commenced, and other portions of the work.

No appropriation asked for the next fiscal year.

*North and South Carolina and Georgia.*—The works for the defense of Beaufort and the mouth of the Cape Fear River, North Carolina, and the defenses of Charleston, South Carolina, and Savannah, Georgia, remain very much as they have been for several years past. Nothing beyond some clearing away of the rubbish has been undertaken at them excepting some repairs of existing platforms at Fort Pulaski. It is desirable that



these defenses should be put in a better condition, as in the event of a foreign war the harbors and ports which they cover would invite the presence of the enemy and even afford him shelter and security.

*Fort Pulaski, Savannah River, Georgia, in charge of Major Q. A. Gillmore, brevet major general United States Army.*—During the past year operations looking to the mounting of the armament of this fort were commenced. The work consisted of brick and stone masonry, repairs to gun platforms, the taking up and resetting of traverse stones and rails to restore the proper radius and level, the thorough repair of the water battery, and the construction of six wooden platforms for 100-pounder rifles. During the current year the repairs begun will be continued to completion. The magazine in the water-battery has been put in good condition, and the thickness of its earth covering suitably increased.

No appropriation asked for the next fiscal year.

*Fort Clinch, Amelia Island, Florida, in charge of Captain J. W. Barlow, brevet lieutenant colonel United States Army.*—Operations have been suspended during the year except slight repairs made by the fort keeper. The work has suffered little, though a few important repairs should be made during the next fiscal year. A resumption of active operations is desirable with a view to the early completion of the fort, and for this purpose an appropriation is recommended.

Appropriation asked for the next fiscal year, \$50,000.

*Fort Taylor, Key West, Florida, in charge of Colonel J. H. Simpson, brevet brigadier general United States Army, and Lieutenant Colonel C. E. Blunt, brevet colonel United States Army.*—The appropriation having been exhausted operations have been suspended during the year. Pintles and traverse irons for barbette platforms have been ordered and will be set this fall. No other work can be done for want of funds. For the continuation of the work on the cover-face, counterscarp, and sea-wall, and dredging in the ditch and inner channel an appropriation is required.

Appropriation asked for the next fiscal year, \$100,000.

*Fort Jefferson, Garden Key, Tortugas, Florida, in charge of Colonel J. H. Simpson, brevet brigadier general United States Army, and Lieutenant Colonel C. E. Blunt, brevet colonel United States Army.*—The operations of the year have been confined mainly to the interior finish of the officers' quarters and soldiers' barracks, one section of eighteen rooms in the quarters having been essentially finished. Five rooms have been plastered in the soldiers' barracks, and a great deal of flooring, furring, and other woodwork has been put in. Sections three and four of the barracks have been roofed with galvanized iron. Some work has been done in the ditch in excavating sand, setting sluice-gates, &c. The sand removed has been put outside the counterscarp, and on the parade for leveling. During the fiscal year ending June 30, 1870, the officers' quarters and soldiers' barracks will be carried as far as possible toward completion, and the barbette platforms will be put in good condition.

Appropriation asked for the next fiscal year, \$85,000.

*New Fort at Tortugas.*—The commencement of this work will be deferred until a suitable project for the position can be prepared.

No appropriation asked for the next fiscal year.

*Fort Pickens, Pensacola Harbor, Florida, in charge of Major F. E. Prime, brevet colonel United States Army, and Captain A. N. Damrell, brevet major United States Army.*—During the past year the wharf and plank road to the fort have been completed; a gun platform in west bastion prepared and the gun mounted; platform for a large gun in southwest bastion partially prepared; wooden platforms for projectiles constructed;

general repairs made, and railroad from central bastion to southwest bastion repaired and extended. Operations proposed for the present year comprise the removal of rubbish and repairs of cistern, casemates, and quarters.

Appropriation asked for the next fiscal year, \$20,000.

*Fort Barrancas and redoubt, Pensacola Harbor, Florida, in charge of Major F. E. Prime, brevet colonel United States Army, and Captain A. N. Damrell, brevet major United States Army.*—During the past year the fence around the works has been completed, the bridges have been repaired, gratings and ventilators have been put in the magazines, and general repairs made in masonry and wood-work. The proposed operations for the present year are, cleaning out rubbish, adjusting slopes, and general repairs.

No appropriation asked for the next fiscal year.

*Fort Morgan, eastern entrance to Mobile Bay, Alabama, in charge of Major F. E. Prime, brevet colonel United States Army, and Captain A. N. Damrell, brevet major United States Army.*—During the past year the wharf has been repaired; demolition of the citadel continued; portion of the slopes graded and sodded; breakwater repaired and continued; rubbish removed from inside of work, and general repairs made. It is proposed during the present year to continue general repairs; move rubbish from inside of the work; complete the demolition of the citadel; drain the parade; repair the wharf, and build a sea-wall for the protection of the site.

Appropriation asked for the next fiscal year, \$50,000.

*Fort Gaines, Dauphin Island, Mobile Bay, Alabama, in charge of Major F. E. Prime, brevet colonel United States Army, and Captain A. N. Damrell, brevet major United States Army.*—At this work during the last year repairs have been made of wharf, plank walks, and buildings inside of fort; slopes and ditch partially graded; two jetties and a breakwater built; cunette excavated in ditch; main drain cleaned out and extended. The proposed operations for the present year are, completing shore protection, repairing wharf, grading and grassing slopes, putting up fence to preserve slopes from cattle and hogs, removing old earth and timber work from inside of fort, and general repairs.

Appropriation asked for the next fiscal year, \$60,000.

*Fort Pike, Rigolets Pass, Louisiana, in charge of Major and Brevet Brigadier General M. D. McAlester, Major and Brevet Colonel F. E. Prime, Captain G. J. Lydecker, and Captain and Brevet Major C. W. Howell.*—This fort is in good condition and only in need of slight repairs, with exception of the glacis along the Rigolets. This has been greatly damaged by being partially washed away. No work was done last year. During the current year it is proposed to restore the glacis to its original condition.

No appropriation asked for the next fiscal year.

*Fort Macomb, Chef Menteur Pass, Louisiana, in charge of Major and Brevet Brigadier General M. D. McAlester, Major and Brevet Colonel F. E. Prime, Captain G. J. Lydecker, and Captain and Brevet Major C. W. Howell.*—The general condition of this fort is good. No work was done during the past fiscal year. It is proposed during the current fiscal year to remove the old bridges across the moat and supply their places by new ones. It is also proposed to make general repairs to the work and quarters.

No appropriation asked for the next fiscal year.

*Battery Bienvenue, Lake Borgne, Louisiana, in charge of Major and Brevet Brigadier General M. D. McAlester, Major and Brevet Colonel F. E.*

*Prime, Captain G. J. Lydecker, and Captain and Brevet Major C. W. Howell.*—This work is in very bad condition; the brick work is well preserved; the stockade ruined; the bridge dilapidated; the quarters, magazine, and cisterns, require repair.

Appropriation asked for the next fiscal year, \$13,400.

*Fort Jackson, Mississippi River, Louisiana, in charge of Major and Brevet Brigadier General M. D. McAlester, Major and Brevet Colonel F. E. Prime, Captain G. J. Lydecker, and Captain and Brevet Major C. W. Howell.*—The general condition of the work is good. During the year but little work has been done; some slight repairs and putting up new lightning rods over magazines being all. During the next year it is proposed to erect a storage magazine and thoroughly repair the masonry, drains, and slopes of the fort and outworks, and make slight repairs to engineer buildings.

Appropriation asked for the next fiscal year, \$76,000.

*Fort St. Philip, Mississippi River, Louisiana, in charge of Major and Brevet Brigadier General M. D. McAlester, Major and Brevet Colonel F. E. Prime, Captain G. J. Lydecker, and Captain and Brevet Major C. W. Howell.*—This work is in serviceable condition. The magazines are subject to overflow at extraordinary high water of the Gulf. No work, with the exception of slight repairs, was done during the past fiscal year. During the current fiscal year it is proposed to modify and repair the service magazine in the upper battery; to make general repairs, and to construct a storage magazine with service magazines in connection therewith.

Appropriation asked for the next fiscal year, \$110,000.

*Fort Livingston, Barataria Bay, Louisiana, in charge of Major and Brevet Brigadier General M. D. McAlester, Major and Brevet Colonel F. E. Prime, Captain G. J. Lydecker, and Captain and Brevet Major C. W. Howell.*—The general condition of the work is fair. No work was done during the past year and none is at present contemplated during the current year.

No appropriation asked for the next fiscal year.

*Fort at Fort Point, entrance to San Francisco Harbor, California, in charge of Major George H. Elliot.*—The sea-wall, six hundred feet long, designed to protect the proposed eastern barbette battery, was completed during the last winter. The ground in rear of this wall has been filled flush with the coping, and a pavement of dry stones has been laid for a distance of thirty feet in rear of the wall. The pile wharf, the roadways, the quarters, stables, and storehouses, have been kept in repair. The iron work of the embrasures, the railings and stairways have been scraped clean of rust and have been painted. A thorough repair of quarters for officers and men has been undertaken and will be finished early in the present fiscal year. An apron of masses of rock, from ten to fifteen tons weight, has been commenced in front of the channel sides of the fort to prevent the wearing of the beach. A series of experiments with the cements and limes obtainable on the Pacific coast, and with the building sands obtained in San Francisco Harbor, has been commenced.

Appropriation asked for the next fiscal year, \$200,000.

*Fort at Lime Point, San Francisco Harbor, California, in charge of Major George H. Mendell, brevet colonel United States Army.*—During the fiscal year two large blasts have been exploded at Lime Point. The first took place on the 24th October, 1868, and contained nearly twenty four thousand pounds of mortar and cannon powder. The second, of sixteen thousand five hundred pounds of powder, in three charges, was exploded

on the 17th April. The gross effect of these two explosions was the removal of about ninety thousand cubic yards of rock. A tunnel with two chambers, of capacity of six thousand pounds each, is ready for loading. Seventy-five thousand cubic yards of rock have been removed from the site during the year, to an average distance of eighty feet. Operations were suspended during four months out of the twelve. The fence, three miles in length, separating the public land from that adjoining, which was commenced in the previous fiscal year, was finished in July. During the next year it is proposed to continue the rock excavation, construct a battery on Point Cavallo, and emplacements for guns and mortars on the hills above Lime Point, with the necessary roads.

Appropriation asked for the next fiscal year, \$200,000.

*Fortifications at Alcatraz Island, San Francisco Harbor, California, in charge of Major George H. Elliot, brevet colonel United States Army.*—Operations during the past year have consisted in excavating the rocky slopes in rear of batteries 2 and 3; in repairing public property; painting the magazine roofs, the schooner, and the office, and in other miscellaneous work. About four thousand yards of rock have been excavated and thrown over the scarp walls. The earthy product of the excavation is saved for future use. It is proposed to remove the ridge of the island, leveling it to a plane; give the necessary increase of thickness to the parapets, and introduce additional traverses with magazines and bomb-proofs.

Appropriation asked for the next fiscal year, \$100,000.

*Defenses at the mouth of the Columbia River, Oregon, in charge of Major George H. Mendell, brevet colonel United States Army.*—During the year extensive repairs were made on Fort Stevens. The scarp revetment, which was much decayed, was removed, and the exterior slope of the parapet extended to the bottom of the ditch. It was faced with plank to protect the lower part of the slope from washing where it is reached by the water of the ditch. A covered way with parapet arranged for infantry fire was constructed along the counterscarp. The wooden magazines at Cape Disappointment exhibit signs of decay. Arrangements have been made to construct a fire-proof powder-house for storage of powder. The condition of the works both at Fort Stevens and Cape Disappointment is good.

No appropriation asked for the next fiscal year.

#### BATTALION OF ENGINEERS AND DEPOTS.

*Battalion of engineers, commanded by Major Henry L. Abbot, brevet brigadier general United States Army, headquarters Willet's Point, New York Harbor.*—The strength of the five companies constituting the battalion of engineers, on the 30th of June, 1869, was 23 officers and 634 enlisted men. 116 recruits were needed to complete the organization. The companies of the battalion were stationed and commanded as follows: At Willet's Point, New York Harbor, company A, Captain A. Mackenzie; company B, Captain A. H. Burnham, brevet major United States Army; company C, Captain O. H. Ernst. At Yerba Buena Island, California, company D. Captain S. M. Mansfield, brevet lieutenant colonel United States Army. At Jefferson Barracks, Missouri, company E, Captain P. C. Hains, brevet lieutenant colonel United States Army.

A detachment from companies A, B, C, and E, under the command of First Lieutenant C. B. Sears, served at the United States Military Academy for the purpose of aiding in the instruction in practical engi-

re-1862. A detachment of 38 men, under the command of First Lieutenant Thomas Tuttle, were engaged from April, 1860, upon the survey of the battle field of Gettysburg; and small detachments were made from time to time from the post in the west for other duties.

The troops at the several posts have been carefully instructed in the infantry tactics, both practically and theoretically, and in the drills peculiar to their special arm of the service, and have accomplished a large amount of work in the construction of the buildings and preparation of the grounds at the depots established for them. Theoretical instruction for the men, as directed in General Orders No. 56, of 1866, has been continued, with considerable interest manifested, and encouraging progress made; and the original intention of making the service with the battalion a school of practice for the officers on duty with it has been kept steadily in view in the methods of instruction marked out. With the sanction of the Secretary of War the duty of experimentally developing a torpedo system as an accessory of the permanent sea coast defenses was devolved upon the battalion of engineers, under the direction of the board of engineers for fortifications, by instructions from this office in May last.

I would again recommend that two principal musicians should be allowed to the non-commissioned staff of the battalion; that the seventh section of the act of July 13, 1866, taking from engineer soldiers the per diem paid to other soldiers, when engaged on continuous labor, should be repealed; because the effect of this law is to make the pay of engineer soldiers much less than that given to other troops when engaged on extra duty, works an injustice to the men, and excludes a class of recruits from their ranks which the interests of this special arm of the service requires should be enlisted. With this law repealed, the engineer soldier will be placed upon the same footing as the other troops of the service. I would also renew my recommendation that an appropriation of \$1,000 be made to purchase the stock out of which siege and trench materials are fabricated for the instruction of the troops at Willet's Point.

*Engineer post and depot at Willet's Point, New York Harbor, commanded by Major Henry L. Abbot, brevet brigadier general United States Army.*—This point was selected in 1865 as the headquarter of the battalion of engineers, and as the depot for the storage of the engineer material used on the Atlantic seaboard. The property is stored in one large shed, 250 feet long by 37 feet wide, constructed for the purpose, and in eight temporary buildings made for the Grant General Hospital in the late war. The tools are sold for use on the different works in charge of officers of the troops as called for. The larger part of the bridge equipage of the army is preserved at this place, from which other depots are supplied, according to the necessities of the service.

Since the date of my last report the permanent hospital then under construction, with funds furnished by the Quartermaster's Department, has been completed, excepting the plumbing; and an old building has been remodelled for officer's quarters, by the labor of the garrison, and with funds furnished by the same department.

There has been done at the depot during the past year in preparing experimental carriages, &c., for the board of engineers convened to report upon the military bridge equipage of the army.

An appropriation of \$45,000 is recommended for the erection of permanent barracks for officers and men, which are much needed, the old temporary buildings used for quarters and barracks having gone very much to decay.

*Engineer post and depot at Jefferson Barracks, Missouri, commanded by Captain P. C. Hains, brevet lieutenant colonel United States Army.*—During the past year the work of altering and repairing the north row of soldiers' quarters, with a view to making storehouses for engineer property, has been carried out, the buildings nearly finished, and most of the material of the post carefully stored away in them.

The work of fitting the bridge train has been commenced and is well advanced.

The work of preparing the quarters for the command is progressing satisfactorily; about one half of the fence at the northern boundary has been put up, the finishing of the entire inclosure of the engineer reservation being delayed only to determine accurately the position of the line of the west boundary.

The post of Jefferson Barracks was transferred to the corps of engineers, under the operation of General Orders No. 9, dated headquarters military division of the Missouri, October 21, 1867, and the agreement to pay to the Quartermaster's Department \$20,000 for the property. As by the act of March 2, 1867, but one-half of the sum appropriated for the quarters at Jefferson Barracks could be expended, a further appropriation of \$10,000 is necessary to complete the agreement with the Quartermaster's Department. For the construction of four cisterns to hold drinking water for the command a sum of \$1,000 is necessary.

The appropriation of the several amounts named is recommended.

*Engineer post and depot, Yerba Buena Island, California, commanded by Captain S. M. Mansfield, brevet lieutenant colonel United States Army.*—At the date of my last report, little had been done toward the establishment of this depot, and the command was encamped upon the island.

At the close of the fiscal year there had been constructed, almost exclusively by the labors of the garrison, the necessary barracks for officers and men, a guard-house, hospital, and quarters for laundresses. A substantial wharf, 325 feet in length, was also built; with a view of obtaining a supply of drinking water, a tunnel 178 feet in length had been driven into the side of the hill, and it is expected a good supply will be obtained after driving it a short distance further.

A canvas pontoon train, with a supply of engineer tools, had been received. A military survey of the island by the garrison, for the purpose of fortifications, was well advanced, under the immediate instructions of the board of engineers for the Pacific coast.

#### RIVER AND HARBOR IMPROVEMENTS.

The balances of the appropriations for the improvement of rivers and harbors, approved June 23, 1866, and March 2, 1867, remaining on hand July 1, 1868, have been applied to continuing the works of improvement referred to in the last annual report.

The appropriation of \$1,500,000, approved July 25, 1868, for the "repair, preservation, extension, and completion of certain public works on rivers and harbors," &c., was distributed with the sanction of the Secretary of War.

In addition to the list of works specified in my report of October 20, 1868, there has been allotted from this appropriation, as follows: Harbor at mouth of Genesee River, \$1,100; harbor at Saugatuck, Michigan, \$23,900; which absorb the entire appropriation.

The officers in charge of the works were notified of the respective allotments, and were directed to apply the moneys thus appropriated to carrying on the improvements in accordance with the approved and authorized plans.

an act approved April 10, 1869, two millions of dollars were appropriated for "the fiscal year ending June 30, 1869, and the year ending June 30, 1870, to be expended for the repair, extension, preservation and completion of works for the improvement of rivers and harbors, under the direction of the Secretary of War," &c. This sum has been distributed as follows:

Superior City Harbor.....	\$44,550 00
Marquette Harbor.....	26,730 00
Green Bay Harbor.....	44,550 00
Stowac Harbor.....	17,820 00
Waukegan Harbor.....	35,640 00
Neenah Harbor.....	22,275 00
Winnebago Harbor.....	5,346 00
Winneton Harbor.....	29,700 00
Winneton City Harbor.....	31,185 00
Winneton Harbor.....	6,039 00
Winneton River Harbor.....	44,550 00
Winneton Harbor.....	17,820 00
Marquette Harbor.....	31,185 00
Beaumont Harbor.....	29,318 85
Beaumont Harbor.....	13,380 00
Beaumont Harbor.....	8,910 00
Beaumont Harbor.....	22,275 00
Beaumont Harbor.....	89,100 00
Beaumont Harbor.....	22,275 00
Beaumont Harbor.....	82,170 00
Beaumont Harbor.....	8,910 00
Beaumont Harbor.....	14,850 00
Beaumont Harbor.....	2,970 00
Beaumont Harbor.....	1,866 15
Beaumont's River.....	10,692 00
Beaumont River.....	14,850 00
Beaumont River.....	22,275 00
Beaumont River.....	89,100 00
Beaumont River.....	13,365 00
Beaumont River.....	40,095 00
Beaumont River.....	35,640 00
Beaumont River.....	64,350 00
Beaumont River.....	990 00
Beaumont River.....	26,730 00
Beaumont River.....	84,150 00
Beaumont River.....	1,000 00
Beaumont River.....	178,200 00
Beaumont River.....	24,750 00
Beaumont River.....	142,560 00
Beaumont River.....	178,200 00
Beaumont River.....	178,200 00
Beaumont River.....	133,650 00
Beaumont River.....	1,000 00
Beaumont River.....	29,700 00
Beaumont River.....	29,700 00

A summary is submitted herewith, showing the progress made at the localities on the works of improvement; amounts of money expended during the fiscal year; amounts available July 1, 1869, for work, from the several appropriations and allotments; and amounts

required to be appropriated, which can be profitably expended during the next fiscal year.

An accompanying appendix contains the reports of the engineers in charge of the improvements.

#### HARBORS ON LAKE SUPERIOR, AND ON THE WEST AND SOUTH SHORES OF LAKE MICHIGAN.

Officer in charge, Brevet Colonel J. B. Wheeler, Major corps of engineers, having under his orders the following officers:

Captain D. P. Heap, corps of engineers, special superintendent for the harbors of Kenosha, Chicago, Michigan City, and New Buffalo; station, Chicago.

Captain J. W. Cuyler, corps of engineers, special superintendent of the harbors of Superior City, Ontonagon, and Eagle Harbor; station, Ontonagon.

Assistant, W. H. Harding, special superintendent for the harbors of Marquette, Green Bay, Manitowoc, Sheboygan, Milwaukee, and Racine; station, Milwaukee.

Assistant, W. T. Casgrain, in charge of surveys and preparation of maps and other duties connected with surveys of harbors; station, Milwaukee.—(See Appendix A.)

1. *Superior City Harbor, Wisconsin—Lake Superior.*—Under the appropriation of 1867 the pier was commenced, starting from Minnesota Point; 768 running feet were built during the fiscal year ending June 30, 1868. During the remainder of 1868, 320 running feet of pier were added, making a pier about 1,100 feet long. The payments for the work exhausted the appropriation. In May, 1869, an allotment of \$45,000 was made to be expended upon this harbor. The work was put under contract without delay, and on the 15th of June the first crib on the eastern side was placed, forming the beginning of the pier from Wisconsin Point. A wing dam 178 feet long, of timber filled with brush, slabs, and stone, was built, connecting this crib with the shore. This structure is intended to prevent the current from passing between the crib and Wisconsin Point, and make it flow out between the piers. The little work already done has had a very beneficial effect upon the channel, both in deepening and straightening it, especially over the outside bar. The work should not be allowed to remain in an unfinished condition.

Appropriated for the improvement of this harbor in 1867.	\$63,000 00
Allotted from appropriation of 1869.....	45,000 00

Total.....	108,000 00
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Of which amount there was unexpended on June 30, 1869.	\$45,712 85
Amount estimated for completion.....	155,300 00
Amount required for next fiscal year.....	75,000 00

2. *Ontonagon Harbor, Michigan—Lake Superior.*—The last annual report stated that 449 running feet of pier had been built during the fiscal year ending June 30, 1868. Since that time the pier has been extended 900 feet, making 1,350 feet of pier on the eastern side; 455 piles that obstructed the entrance have been removed, and 270 feet of the western pier repaired and built up. There still remain not less than two, and probably five, sunken cribs in the harbor that must be removed in order to give a safe entrance to vessels sailing to and from *this place*. A contract has been made with E. F. Prince to remove these



cribs for the sum of \$3,000, but this work is not begun, as the unexpended balance is required for repairing the west pier and deepening the channel.

There was appropriated in 1867 for the improvement of this harbor .....	\$97,600 00
Of which amount there was on hand June 30, 1869.....	9,731 94
Amount estimated for completion .....	238,780 00
Amount required for next fiscal year.....	80,000 00

3. *Eagle Harbor, Michigan—Lake Superior.*—A contract was made on the 10th of August, 1867, with David Quinn, of Chicago, to remove this rock at the rate of fifty-eight dollars (\$58) per cubic yard, the work to be completed on the 1st of October, 1868. Mr. Quinn failed in his work. A special report, giving all the facts in the case, will be found in Appendix A 1. After due notice given a contract was made on the 26th of January, 1869, with George W. Townsend, of Boston, for removing this rock at the rate of forty dollars (\$40) per cubic yard. Work was commenced early in June, and during that month seventy-three cubic yards were removed. The contractor was sanguine of success and hoped to make rapid progress towards completion this season.

There was appropriated in 1867.....	\$65,000 00
Of which amount there was on hand on the 30th of June, 1869.....	44,253 33
Amount estimated for removal of rock alone, (see report of 1868).....	195,588 00
Amount required for next fiscal year.....	100,000 00

4. *Marquette Harbor, Michigan—Lake Superior.*—There had been finished on the 30th of June, 1868, the date of the last annual report, 310 running feet of breakwater. During the past fiscal year 450 feet have been built, making 760 feet in all. This amount being all that was required of the contractor, the work was re-advertised and let to the lowest bidder, viz: Hart & Jennings, of New York, who are under bonds to build not less than 200 feet during the present season. This will make 960 feet, or nearly one-half of the proposed work. The effect of this breakwater is sensibly felt in heavy weather, and it is to be hoped that greater efficiency may be given by adding to the pier during the year 1870.

There was appropriated in 1867.....	\$85,000 00
There was allotted from the appropriation of 1869.....	27,000 00
Total.....	112,000 00

Of which amount there was unexpended on June 30, 1869.....	\$56,074 05
Amount estimated for completion.....	273,130 00
Amount required for next fiscal year.....	91,000 00

5. *Green Bay Harbor, Wisconsin—Lake Michigan.*—The work of the past season has been entirely confined to excavating the new cut, and the amount of material removed, measured in scows, during the fiscal year ending June 30, 1869, numbers 77,822 cubic yards. A second dredging machine has been hired to begin work by the middle of August, 1869. The two machines, with favorable weather, should be able to finish the cut this season. Contracts were made with Smoke & Schuette, of Manitowoc, who were the lowest bidders, for protecting the cut through Grass

Island by close piling. It is proposed to build about 600 feet of this protection work this season and notice the results. It may be possible, judging from the action of the water during the past two years, that no further protection will be required. If such should not be the case the estimate for completion must be increased in amount.

There was appropriated for the improvement of this harbor in 1866.....	\$30,500 00
Appropriated in 1867.....	45,000 00
Allotted from appropriation of 1868.....	17,500 00
Allotted from appropriation of 1869.....	45,000 00

Total.....	138,000 00
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Of which there was unexpended on the 30th of June, 1869..	\$56,526 87
Original estimate of completion .....	155,416 77
Required for completion and for the next fiscal year.....	17,500 00

6. *Manitowoc Harbor, Wisconsin—Lake Michigan.*—On the 30th of June, 1868, the condition of the work done was as follows: 866 lineal feet of pier on the north side in a finished state, 416 feet of pier on south side built to the surface of the water, and 130 feet of close piling forming a connection with the shore and inner end of north pier. During the fiscal year ending June 30, 1869, 64 feet were added to the north pier, 320 feet added to the south pier, the pier built to the surface of the water, as reported, was finished, and 33,064 cubic yards of material removed from the channel. The whole pier work on the 30th of June, 1869, is as follows:

New work on north side, running feet.....	864
Repairs of old work, north side, running feet.....	66
Close piling, joining the shore, running feet.....	130
New work on south side, running feet.....	736

Total running feet.....	1,796
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Contracts have been made for prosecuting the work vigorously to the extent of the means in hand, and 64 feet of pier, built to the water's surface, have been added to the south pier. It is expected that 200 feet will be added to this pier this season, and that the channel will be opened to the depth of 12 feet.

There was appropriated for the use of this harbor in 1866..	\$52,000 00
Appropriated in 1867.....	45,000 00
Allotted from appropriation of 1868.....	17,500 00
Allotted from appropriation of 1869.....	18,000 00

Total.....	132,500 00
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Of which there was unexpended June 30, 1869.....	\$20,261 65
Original estimate of completion .....	141,747 82

In this estimate the amount for dredging was too small, and no allowance was made for repairs upon the old work that had to be made in order to secure the new work. Supplying this deficiency the estimate of

amount for completion and required for use during the next fiscal should be \$31,000.

*Sheboygan Harbor, Wisconsin—Lake Michigan.*—The work of 1868 confined to supplying the ballast that had settled in the cribs and lying in the channel between the piers and entrance to the harbor, amounting to 148½ cords of stone for the cribs, and removing 9,034 yards of earth and sand from the channel. A contract has been made with H. Rett, of Sheboygan, to place this season not less than five cribs in position of south pier. This will be done unless prevented by causes now foreseen.

re was appropriated in 1866 .....	\$47,598 91
re was appropriated in 1867 .....	8,000 00
deducted from appropriation of 1869 .....	15,000 00
<b>Total</b> .....	<b>70,598 91</b>

which there was unexpended on the 30th of June, 1869.	\$18,051 13
Amount of estimate in 1868 .....	49,000 00
Amount required for next fiscal year to complete the work recommended .....	34,000 00

*Milwaukee Harbor, Wisconsin—Lake Michigan.*—During the past year 200 running feet of pier work was added to the north pier and 100 to the south, making 300 feet in all. Two dredging-machines were employed in the fall of 1868 to deepen the channel over the bar at the entrance, being employed thirty-five days. This season the city authorities have employed the dredges to continue the work and also to dredge between the piers. It is proposed to add 50 feet to the north pier and 50 feet to the south pier, 200 feet in all, this season. This can be built at the balance on hand. This harbor was mainly built by the city authorities during the years 1854, 1855, 1856, and 1857, and the necessity of renewal of a great portion of the structure above water, at no far distant day, is apparent. In the following estimates \$10,000 are included for this purpose:

re was appropriated for the improvement of this harbor in 1866 .....	\$48,283 51
deducted from appropriation of 1869 .....	36,000 00
<b>Total</b> .....	<b>84,283 51</b>

which amount there was unexpended on June 30, 1869.	\$51,774 08
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Amount required to complete the improvement recommended in previous report .....	\$44,000 00
repairs of old work .....	10,000 00
required for next fiscal year .....	54,000 00

*Racine Harbor, Wisconsin—Lake Michigan.*—During the fiscal year 1868 \$10,000 were added to the north pier, and the entire north pier, left unfinished, was built up. Work was commenced this season to repair the old south pier and dredge the channel between the piers. These repairs consist in tearing away the rotten timbers above the surface of the water,

replacing them by new ones, and sheath-piling the outside of each crib to prevent the flow of sand through the intervals into the harbor. This will be completed this season, and if the south pier could be carried out as far as the north pier there is reason to believe this harbor would remain in good condition until the lake-drift or accretion again becomes troublesome.

There was appropriated for the improvement of this harbor in 1866.....	\$23,910 00
Appropriated in 1867.....	45,000 00
Allotted from the appropriation of 1869.....	22,500 00
<b>Total.....</b>	<b>91,410 00</b>

Of which amount there was unexpended on the 30th June, 1869..... \$27,059 89  
 Amount required for completion..... 40,000 00  
 Which could be used next fiscal year. This estimate of completion is to carry out the south pier equal in length to the north pier.

10. *Kenosha Harbor, Wisconsin—Lake Michigan.*—The engineer in charge does not recommend a further extension of the piers for this harbor, and makes no estimate for this purpose. An estimate of \$20,000 for repairs of old work and \$35,000 for dredging was made in the annual report of 1867. This recommendation is renewed, and the amount required for the next fiscal year is \$40,000. The end crib of north pier, after being placed in 1867 and accepted, was moved from its position during a heavy gale. Before paying the contractors in full they were required to build this up so as to have the surface on the same level with the remainder of the pier. This they did in the past fiscal year by driving piles, joining the displaced crib and the main pier, and building on the piles a superstructure conforming in general appearance to the rest of the work. The ice and waves carried this additional work away during the past winter. It is now proposed to take out the stone, lift the crib from its present bed, and, if it be uninjured, to replace it in its original position; if it cannot be replaced, to remove it entirely, or enough of it so that it shall present no obstruction to navigation. This will be done this season, and will form the principal work of the year. The timber-work above the water of the old south pier is all very much decayed, and unless repaired during the next season will be leveled to the surface by the water.

There was appropriated for this harbor in 1866.....	\$75,461 41
Allotted from appropriation of 1869.....	5,400 00
<b>Total.....</b>	<b>80,861 41</b>

Of which there was unexpended on the 30th June, 1869... \$5,890 81

This amount will be expended during the present season.

11. *Chicago Harbor, Illinois—Lake Michigan.*—The building of the south pier and its extension as far as the light-house pier, a distance of 610 feet, has been contracted for, and the greater portion of it will be done this season. This extension should be carried on until the south pier is equal in length to the north pier. This will require the construction of 600 feet of pier-work, that may be composed of cribs 20 feet wide for 500 feet, and the remaining 100 feet of cribs 25 feet wide, filled with stone. The cost of this 600 feet may be estimated at \$70 per running

foot, or for the entire addition, \$42,000. Adding \$3,000 for superintendence, there will be required for the next fiscal year \$45,000. During the fiscal year the north pier was fully completed; the end of pier being in water 23 feet deep. It has been considered advisable to protect the head of the pier by covering the end with 12-inch square timbers firmly bolted to the end of pier, filling up the cribs with stone, covering the pier with a coating of coal-tar, and driving seven clumps of fender-piles around the end of pier. This work, with the work of building the south pier for at least 600 feet, will form the probable progress for the season. Surveys have been made and projects are being prepared with a view to affording greater safety to the commerce of this important harbor.

There was appropriated for this harbor in 1866.....	\$88, 704 00
Allotted from the appropriation of 1868 .....	35, 000 00
Allotted from the appropriation of 1869 .....	30, 000 00

Total .....	153, 704 00
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Of which there was expended on June 30, 1869 .....	\$66, 869 57
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12. *Michigan City Harbor, Indiana—Lake Michigan.*—During the fiscal year ending June 30, 1869, 352 feet of pier have been built, 708 feet of sheath-piling constructed, and 111,080 cubic yards of earth removed by dredging. Of this 352 feet 96 feet were added to the eastern pier and 256 to the western. It is proposed during the present season to finish the sheath-piling recommended in previous reports, build not less than 288 feet of pier, and continue the dredging. This will more than complete the work recommended excepting the pier work. In the original recommendation the length of piers was based upon the amount of money appropriated, and it was proposed to add 288 feet to the eastern and 320 to the western pier. With the means now available 242 feet can be added to the eastern pier and 498 feet to the western. These additions bring out the piers nearly equal in length, give a depth of 12 feet at the entrance, and form, in the aggregate, more pier work than was recommended. Experience at this place has shown that the extension of the western pier was of more importance, even, than carrying out the eastern one, and has led to reducing the length of one and adding to the other. A further extension of piers might be advantageous, but no recommendation for this project is made at the present time.

There was appropriated for this harbor in 1866 .....	\$75, 000 00
Allotted from appropriation of 1868 .....	25, 000 00
Allotted from appropriation of 1869 .....	31, 500 00

Total .....	131, 500 00
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Of which there was unexpended on the 30th June, 1869...	\$57, 422 12
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13. *New Buffalo Harbor, Michigan—Lake Michigan.*—The work during the fiscal year was devoted to opening a new cut through to Lake Michigan and close-piling the sides of this channel. Although successful in carrying the cut through from Lake Pottawatomie into Lake Michigan, the action of the waves of the latter lake was such as to close it up by the drift of sand. This was done several times. It is proposed to make a dam across the mouth or near the outlet of the Galien River and force this stream to go through the new cut. This will be done this season, and work will be suspended to notice its action and watch the results.

There was appropriated in 1867.....	\$60,000 00
Of which there was unexpended on June 30, 1869.....	7,161 50

14. *Survey of the harbor of Charlevoix, Michigan, Lake Michigan.*—In compliance with the request of the Hon. T. W. Ferry, member of Congress, and with the approbation of the honorable Secretary of War, a survey of the harbor of Charlevoix, Michigan, has been made, with a plan for its improvement and estimate of the cost, &c. The estimated cost of the improvement of the harbor is, in round numbers, \$200,000, and Colonel Wheeler, to whom this duty was intrusted, remarks "that from the location of the harbor and the width of the channel that we are obliged to adopt in improving it, I am of the opinion that the interests of commerce do not require this place to be made a harbor of refuge." These views are concurred in. (See Appendix A 2.)

15. *Resurvey of Port Washington, Wisconsin, Lake Michigan.*—The officer in charge of harbor works in the district in which this locality lies has been directed to make the re-survey called for by resolution of the Committee of Commerce of the House of Representatives, and report a plan for its improvement with estimate of cost. This report has not been received.

16. *Harbor of Du Luth, Lake Superior.*—The survey of this harbor was placed in the charge of Brevet Colonel J. B. Wheeler, corps of engineers, and has been completed. He is now engaged upon the reduction of the notes of the survey, and in the preparation of his report.

#### HARBORS ON THE EASTERN SHORE OF LAKE MICHIGAN.

Officer in charge, Brevet Colonel F. U. Farquhar, captain corps of engineers, with the following assistants:

Lieutenant E. A. Woodruff, corps of engineers, special superintendent for the harbors of Aux Becs Scies, Manistee, Père Marquette, and Pentwater station, Milwaukee.

Assistant J. F. Saunders, special superintendent for the harbor at White River.

Assistant Alfred Noble, special superintendent for the harbors of Muskegon, Grand Haven, Black Lake, Saugatuck, and South Haven; station, Milwaukee. (See Appendix B and B 14.)

1. *Aux Becs Scies Harbor, Michigan, (Frankfort.)*—Owing to the lateness of the commencement of the present season for work, but little progress had been made up to the end of the fiscal year. A contract for dredging has been entered into, and during the present working season it is expected that the channel between the piers will be dredged to a depth of 10 feet, and that the north pier will be extended 320 feet.

Amount on hand July 1, 1868 .....	\$31,481 82
Allotted from appropriation of 1868 .....	10,000 00
Allotted from appropriation of 1869 .....	31,500 00
	<hr/>
	72,981 82

Expended during the fiscal year.....	\$33,836 39
Balance on hand July 1, 1869 .....	39,145 13

To make this a good harbor of refuge, both piers should be extended

to the depth of 12 feet in the lake, and the channel dredged to a depth of 14 feet, which would cost \$60,000. This amount can be profitably spent during the fiscal year ending June 30, 1871. (See Appendix B 1.)

2. *Manistee Harbor, Michigan.*—During the last fiscal year the south pier was extended 256 feet, and the north pier 96 feet. It is expected that the north pier will be extended 160 feet, and the south pier 96 feet during the present season. To complete the improvement of this harbor both piers should be extended, the north, 512 feet, and the south, pier 608 feet beyond the extension likely to be made during this season's work, which would cost \$70,000. The sharp angle on the south side of the channel should be cut away and the channel bank revetted, at a cost of \$9,000.

Amount on hand July 1, 1868 .....	\$25,002 04
Expended during the fiscal year .....	14,439 29
	<hr/>
Balance on hand July 1, 1869 .....	10,562 75
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There can be profitably expended during the fiscal year ending June 30, 1871 .....	70,000,00.
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(See Appendix B 2.)

3. *Père Marquette Harbor, Michigan.*—The work of the fiscal year consisted in extending the north pier 128 feet, and in completing the superstructure of the south pier. During the present working season it is proposed to carry out the north pier 384 feet, which will exhaust the balance on hand for the improvement of this harbor.

Amount on hand July 1, 1868 .....	\$8,979 23
Allotted from appropriation of 1869 .....	31,500 00
	<hr/>
	40,479 23
Expended during the fiscal year .....	7,888 97
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Balance on hand July 1, 1869 .....	32,596 26
	<hr/>

To remove the old slab pier on the south side of the harbor, and to dredge in and beyond the space it occupies, will cost \$52,000, which can be profitably expended during the fiscal year ending June 30, 1871. (See Appendix B 3.)

4. *Pentwater Harbor, Michigan.*—The work done during the past fiscal year was the extending of the south pier 256 feet, and dredging 22,632 cubic yards of earth from between the piers. Owing to the want of a pier on the north side of the channel it filled up during the winter, so that in the spring there was only a depth of six feet where ten feet was reported last autumn. The residents have, at their own expense, dredged the channel to the former depth of 10 feet, and a north pier is now being built. During the gales of last autumn and winter, the south pier suffered severely. The superstructure, for 32 feet from the outer end of the pier, was carried away, and the adjoining superstructure was much damaged. The whole pier has considerably settled, and will require much work to repair it. These necessary repairs, together with the building of 600 feet of pier on the north side of the channel, are expected to be completed this working season, and will exhaust the balance on hand applicable to the harbor. To complete the im

ment of this harbor, the south side of the entrance where the revetment is of slabs should be dredged away; for this it is estimated that the sum of \$40,000 will be required.

Amount on hand July 1, 1868.....	\$29,946 88
Allotted from appropriation of 1869 .....	18,000 00
	<hr/>
	47,946 88
Expended during the fiscal year.....	22,649 33
	<hr/>
Balance on hand July 1, 1869 .....	25,297 55
	<hr/>
Amount required for the fiscal year ending June 30, 1871.	<u>\$40,000 00</u>

(See Appendix B 4.)

5. *Mouth of White River, Michigan.*—This harbor is reported to be in bad condition. During the past winter much of the new channel has been filled up. None but vessels drawing less than six feet water can now enter White Lake. It is expected that during this season's work the channel will be dredged to a depth of 10 feet, and a pier carried out for its protection as far as the 6-foot curve. Early next spring the pier can be further extended as far as the 12-foot curve. Should the weather be favorable the north pier may be extended to the 12-foot curve this autumn. The balance remaining on hand applicable to this harbor will be exhausted during the present fiscal year. To give a channel at least 12 feet deep, and to extend the piers to 15 feet of water in the lake, will require an additional sum of \$50,000, which can be profitably expended during the fiscal year ending June 30, 1871.

Amount on hand July 1, 1868.....	\$18,880 28
Allotted from appropriation of 1869 .....	45,000 00
	<hr/>
	63,880 28
Expended during the fiscal year.....	12 206 50
	<hr/>
Balance on hand July 1, 1869.....	51 673 77

(See Appendix B 5.)

6. *Muskegon Harbor, Michigan.*—Two cribs (32' × 20') have been placed on the extension of the north pier, and one (32' × 32') on the end of the south pier, and the superstructure on both piers completed. During the present working season the north pier will be extended 320 feet, and the south pier will be filled with stone ballast. It will be necessary to repair the slab work in the interior of the crib pier, to do which the slabs should be removed to one foot below the water surface, and a crib superstructure should be built at a cost of \$28,000. Unless this is done there will be danger from breaches and the consequent filling up of the channel between the piers. Before a further extension of the piers into the lake, the effects of the present season's work should be observed.

Amount on hand July 1, 1868.....	\$28,484 41
Expended during the fiscal year.....	12,171 45
	<hr/>
Balance on hand July 1, 1869 .....	16,312 96
	<hr/>
Additional amount required for completion .....	\$63,450 00
Required for the fiscal year ending June 30, 1871 .....	<u>30,000 00</u>

(See Appendix B 6.)



7. *Grand Haven Harbor, Michigan.*—The pier on the south side of the channel has been extended 100 feet, and the old pile work interior to that part of the same pier, which was repaired in 1866, has been repaired for a length of 465 feet. To complete the improvement of the harbor, a pier on the north side of the entrance to the river is necessary, and the repairs to the old pile pier should be continued for an additional length of 600 feet. The necessity for a north pier has been fully set forth in previous reports. It should be 1,700 feet long, and would cost \$200,000, and the repairs of the old south pier, \$14,000. This harbor is one of the most important of those on the east shore of Lake Michigan, and is by far the best. When once the proposed improvements are completed, it will be a long time before a further outlay will be required.

Amount on hand July 1, 1868 .....	\$30, 295 61
Expended during the fiscal year.....	27, 048 69

Balance on hand July 1, 1869.....	3, 246 92
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Amount required for completion .....	\$200, 000 00
Required for the fiscal year ending June 30, 1871.....	100, 000 00

(See Appendix B 7.)

8. *Black Lake Harbor, Michigan.*—During the present fiscal year five cribs (32' × 20') have been placed on the line of the south pier, extending it 160 feet, and one crib on the north pier, and the superstructure finished. The south pier settled very irregularly during the winter, and the outer crib was moved from its place. In accordance with the recommendation of a board of engineer officers assembled in May last, for the consideration of certain harbor structures in Lake Michigan, the following work will be done during the present working season for the improvement of this harbor. An enrockment will be placed along the side of the south pier to prevent a further scouring out of the sand. The south pier will be repaired, a crib superstructure will be built to prevent a breach between the crib work and the shore, and a pile revetment will be built at the head of the cut, to prevent the stream from washing out the sand and depositing it on the outer bar. In addition, the point at the head of the cut should be dredged away in order to straighten the channel, which, together with the necessary revetment, will require an additional appropriation of \$10,000.

Amount on hand July 1, 1868.....	\$46, 648 92
Expended during the fiscal year .....	22, 160 30

Balance on hand July 1, 1869 .....	24, 488 62
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Amount required for completion.....	\$10, 000 00
Required for the fiscal year ending June 30, 1871.....	10, 000 00

(See Appendix B 8 and B 12.)

9. *Saugatuck Harbor, Michigan, (Mouth of Kalamazoo River.)*—Nothing was done at this harbor during the fiscal year. In the present working season it is proposed to revet the left bank of the river for a distance of 2,700 feet, as recommended by a board of engineer officers convened for the consideration of the project for this harbor. The present piers at the mouth of the river were built by the local authorities, and they have contracted the stream so much that at high water in the river the

piers are much endangered. To obviate this it is proposed to build a north pier and interior revetment, and to remove the present slab revetment. These improvements would cost \$75,000.

Allotted from appropriation of 1868 .....	\$23,900 00
Allotted from appropriation of 1869 .....	6,100 00
	<hr/>
	30,000 00
	<hr/>

Additional amount required, and which can be profitably expended during the fiscal year ending June 30, 1871..	\$75,000 00
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(See Appendix B 9 and B 13.)

10. *South Haven Harbor, Michigan.*—Eight cribs (32' × 20') have been placed on the prolongation of the north pier and the superstructure built upon them. The outer crib of the north pier (carried away in a storm last spring) has been replaced and ballasted with stone. To complete the proposed improvement of this harbor, the piers should be extended each 400 feet, at a cost of \$52,000. The old slab pier should be removed to widen the entrance to the river, and the channel dredged to a depth of 12 feet. These two items would cost \$30,000.

Amount on hand July 1, 1868 .....	\$13,315 11
Expended during the fiscal year .....	11,147 55
	<hr/>
Balance on hand July 1, 1869 .....	2,167 56
	<hr/>

which will be entirely exhausted in payment for work done.

Amount required for the fiscal year ending June 30, 1871.	\$72,000 00
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(See Appendix B 10.)

11. *St. Joseph's Harbor, Michigan.*—No work has been done at this place in the last fiscal year. The expenditures were for work already done. It has become evident from experience, that the present direction of the piers is erroneous. They should be placed in the actual direction taken by the current of the river after it leaves the end of the present south pier, about north, 78° west, from the present west end of that pier. To permanently improve the harbor the south pier should be extended for a distance of 928 feet in this direction, and a north pier should be built parallel to it for a length of 940 feet. These two piers, it is estimated, would cost \$116,666.

Amount on hand July 1, 1868 .....	\$7,500 00
Expended during the fiscal year .....	6,978 75
	<hr/>
On hand July 1, 1869 .....	521 25
	<hr/>

Amount required for the fiscal year ending June 30, 1871.	\$80,000 00
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(See Appendix B 11.)

#### HARBORS ON LAKE HURON, IMPROVEMENT OF ST. MARY'S RIVER, AND OF THE ST. CLAIR FLATS.

Officers in charge, Brevet Major General T. J. Cram, colonel corps of engineers, retired; assistant, Captain H. C. Wharton, corps of engineers.

1. *Improvement of St. Mary's River, Michigan.*—During the past fiscal year the work for the improvement of the navigation of this river has been confined entirely to dredging in the middle channel of Lake George, in accordance with the original plan of making a channel 200 feet wide and 14 feet deep. It is expected that at the close of the present working season this work will be completed and the contract closed. The officer in charge reports that during the fiscal year there were excavated and removed 76,342 cubic yards of clay and sand.

Amount expended on the work during the fiscal year ending June 30, 1869.....	\$38,053 10
Amount available July 1 for continuing the work.....	14,799 47

Special surveys have been made of other points in the St. Mary's River where improvements are required. The officer in charge estimates that to increase the channel to the necessary width and depth at these several localities will cost as follows:

East Neebish, west channel.....	\$59,071 00
Channel at head of Rain's Island.....	56,380 00
Channel at foot of Sugar Island.....	19,570 00
Renewing boulders above canal.....	3,000 00
Renewing boulders below canal.....	3,000 00
Total.....	141,021 00

Amount required annually to keep the improvements in good condition, when completed.....	\$10,000 00
Amount that could profitably be expended during the next fiscal year.....	60,000 00

(See Appendix C.)

2. *Improving mouth of Au Sable River, Michigan, Lake Huron.*—During the working season of 1868, thirty cribs were constructed and placed in position in line of piling. At the close of the season there were 240 linear feet of crib-work on the north side and 660 feet on the south. At the opening of the present season, damages caused by the gales and ice of the winter were repaired.

Amount available July 1, 1868.....	\$45,502 38
Amount expended to June 30, 1869.....	31,794 46
Amount available July 1, 1869.....	13,707 92

The officer in charge reports that during the present working season he expected to extend the north pier by two cribs and the south by three cribs; to fill a breach made in the south pier with two cribs, and to complete the filling and superstructure on both lines of piers.

Amount required to complete the improvement according to original design.....	\$20,000 00
Annual amount required to keep this harbor open after completion of work.....	3,000 00

(See Appendix C.)

3. *Improvement of mouth of Saginaw River, Michigan, Lake*  
This work was completed on the 9th October, 1868, to the

contracted for. Dredging has been done throughout a length of 6,800 feet, giving a channel of 195 feet in width and 12 feet in depth "below the low stage during the calm weather of navigation."

Amount available July 1, 1868.....	\$28, 149 29
Amount allotted from general appropriation of 1868.....	9, 000 00
	<hr/>
	37, 149 29
	<hr/>

Amount expended during fiscal year, \$36,043 54, leaving a small balance available for contingencies. The engineer in charge estimates that \$1,500 will be required annually to keep the channel in good condition. (See Appendix C.)

4. *St. Clair Flats, Lake St. Clair.*—The total length of the proposed canal is about 8,200 feet; width between dikes, 300 feet; depth of water, 13 feet—below lowest stage known during navigation. Up to the close of the last fiscal year, June 30, 1869, there had been dredged about 4,320 linear feet of the canal bed to the full width and depth—the earth being placed in the banks—and about 7,028 linear feet of dike retretments and banks have been constructed.

Amount available from specific appropriation of 1866 and 1867, on July 1, 1868.....	\$214, 427 26
Allotment from appropriation of 1868.....	86, 000 00
Allotment from appropriation of 1869.....	144, 000 00
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Total.....	444, 427 26
Amount expended during fiscal year ending June 30, 1869	179, 786 82
	<hr/>
Available July 1, 1869.....	264, 640 46
	<hr/>

The officer in charge estimates that in addition to this sum there will be required to complete the improvement \$15,000, and an annual appropriation for repairs of \$1,500. (See Appendix C.)

#### HARBORS ON LAKE ERIE, WEST OF DUNKIRK.

Officer in charge, Major Walter McFarland, corps of engineers.

1. *Monroe Harbor, Michigan.*—Nothing has been done here; though since the close of the year the work of dredging the bar and protecting the north pier has been let, to be completed probably by the beginning of winter.

Balance June 30, 1868.....	\$10, 590 21
Expended during the fiscal year.....	178 73
	<hr/>
On hand July 1, 1869.....	10, 411 48
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No further appropriation is asked. (See Appendix D.)

2. *Harbor of Toledo, Maumee Bay, Ohio.*—Nineteen thousand one hundred cubic yards of sand were removed from the channel. The project of a straight ship canal through Maumee Bay, which was submitted by General Cram, was referred by me to a board of engineers, which recommended in its stead the improvement of the western channel by dredging. The recommendation of the board was approved by me, and the reports were submitted to the Secretary of War, and by him trans-

mitted to Congress. Since the termination of the year an allotment of \$30,000 has been made for dredging the western channel, which will be expended by the close of navigation. To put this channel in condition suitable to the magnitude of the commerce of Toledo and its rapid growth, there will be required, in addition, \$120,000.

Balance June 30, 1868.....	\$13,015 01
Expended during the fiscal year.....	10,715 51
	<hr/>
Balance July 1, 1869.....	2,299 50
	<hr/>

(See Appendices D 1 and D 2.)

3. *Sandusky River, Ohio.*—The operations of the year have consisted in cutting channels sixty feet wide and eight feet deep through the first shoal place below Whitacie Bar, through the bar off Squaw Island, and the bar at the mouth of the river—removing altogether 27,353 cubic yards of material.

Balance June 30, 1868.....	\$8,340 21
Expended during the fiscal year.....	7,990 77
	<hr/>
On hand July 1, 1869.....	349 44
	<hr/>

There could be profitably expended in improving these channels in the coming year, \$20,000. (See Appendix D 3.)

4. *Sandusky City Harbor, Ohio.*—The channel over the outer bar has been widened to two hundred and forty feet during the year, and deepened to twelve feet, excepting in two places where the depth is eleven feet six inches. The balance of the appropriation is to be applied to the improvement of the channel over the inner bar. To make this channel two hundred and fifty feet wide an additional appropriation of ten thousand dollars is needed.

Balance June 30, 1868.....	\$24,353 76
Expended during the fiscal year.....	13,988 70
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On hand July 1, 1869.....	10,365 06
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All of which will be expended during the present season in deepening the channel over the inner bar. Required for the next fiscal year, \$10,000. (See Appendix D 4.)

5. *Huron Harbor, Ohio.*—Nothing has been done in the improvement of this harbor during the past fiscal year. Since its close, however, estimates of the cost of necessary repairs in both piers have been made, advertised, and the work let, to be completed this fall.

Balance on hand June 30, 1868.....	\$13,774 31
Expended during the fiscal year.....	200 95
	<hr/>
On hand July 1, 1869.....	13,573 36
Probable cost of repairs during the present working season	2,500 00
	<hr/>
Leaving available.....	11,073 36

To be applied to further repairs as the necessity for them arises, which will not probably amount to more than \$1,500 per year. No further appropriation is asked. (See Appendix D 5.)

6. *Vermillion Harbor, Ohio.*—Nothing has been done since the close of the last fiscal year, the piers being in very good condition, and giving no indications of needing further repairs very soon. The appropriations and allotments for this work are exhausted. Probable annual cost of keeping the piers in repair, \$1,000. (See Appendix D 6.)

7. *Black River Harbor, Ohio.*—Nothing has been done here during the past year; but the work of repairing the west pier is now in progress. The channel in July of 1869 was twelve feet deep, or about ten and a half feet deep at low water—an increase of two feet over the depth reported in November last.

Available June 30, 1868.....	\$10,000 00
Expended during the fiscal year.....	24 58
On hand July 1, 1869.....	<u>9,975 42</u>

No further appropriation is required. (See Appendix D 7.)

8. *Cleveland Harbor, Ohio.*—The west pier has been completed, and the east pier extended so far that its completion may be expected in September.

Balance on hand July 1, 1868.....	\$30,858 99
Allotted from appropriation of 1868.....	17,000 00
Allotted from appropriation of 1869.....	12,000 00
	<u>59,858 99</u>
Expended during the year.....	39,427 05
On hand July 1, 1869.....	<u>20,431 94</u>

All of which will be expended this year in completing the pier extension. Required, as by previous reports, to give fourteen feet draught, \$39,000, which can be profitably expended during the fiscal year. (See Appendix D 8.)

9. *Grand River Harbor, Ohio.*—The east pier extension has been completed and the effect has been to give an average increase of depth of two feet in the channel. Further improvement is deferred until it can be decided whether an extension of the west pier will best accomplish the end desired.

Balance available July 1, 1868.....	\$45,582 40
Expended during the fiscal year.....	10,777 37
Balance on hand July 1, 1869.....	<u>34,805 03</u>

No further appropriation is required. (See Appendix D 9.)

10. *Ashtabula Harbor, Ohio.*—The extension of both the east and west piers has been completed, both running out now to the twelve-foot curve, and they are of equal length and parallel. The contract for dredging the harbor out to twelve-foot depth is let at a reasonable rate, and will probably be completed this year. No further appropriation is needed.

Amount on hand June 30, 1868.....	\$48,310 16
Expended during the fiscal year.....	28,412 94
Balance on hand July 1, 1869.....	<u>19,897 22</u>

Which is sufficient to complete the dredging, and which will probably be expended by December. (See Appendix D 10.)

11. *Conneaut Harbor, Ohio.*—The breach made by Conneaut Creek into the lake and behind the east pier has been repaired, and the place secured against a similar accident. The cribs of the west pier extension were sunk in place in June, since which time the entire extension has been completed.

Received and expended during the year.....	\$14,213 74
Allotted from appropriation of April 10, 1869.....	9,000 00

Which has been expended in completing the pier work.

Still to be appropriated, in order to complete the harbor, \$6,000. (See Appendix D 11.)

12. *Erie Harbor, Pennsylvania.*—The work at this harbor during the past year has consisted of the repair of three-quarters of the damaged north pier, and the dredging of the channels over the inner and the outer bars. The former work has stood the storms of fall and winter without any perceptible settlement, proving the propriety of the system of repair adopted. The channel over the inner bar has been deepened to thirteen feet below low water for a width of one hundred feet, and a lump has been removed from the outer bar. There have been expended \$21,173 76 in these operations.

Balance on hand June 30.....	\$33,500 00
Since allotted.....	22,500 00

To be expended this season.....	56,000 00
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Leaving, of the amount called for in the last annual report.	\$15,150 00
Still to be supplied by appropriation, to which must be added the cost of widening the channel.....	30,750 00

Total required.....	45,900 00
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(See Appendix D 12.)

#### HARBORS ON LAKE ERIE, EAST OF ERIE, PENNSYLVANIA.

Officer in charge, Brevet Lieutenant Colonel Franklin Harwood, captain corps of engineers.

1. *Dunkirk Harbor, New York.*—The west pier while in progress of construction, and nearly completed, was breached by the gale of the night of the 7th October, 1868. Owing to the lateness of the season the work was closed and secured for the winter. In the spring of 1869 the work of repair, reinforcement, and completion of this work was commenced, and at the close of the fiscal year was progressing. The construction of the new breakwater was commenced in the spring of 1869, and at the close of the fiscal year was in a forward state. The removal of the old outer breakwater had not yet been undertaken, but it was to be removed during the working season. It was expected that the west pier and a section of the breakwater (about nine hundred feet) would be completed by the close of the working season of 1869, exhausting the present appropriation, excepting a small balance retained for contingencies of repair. The recommendations of the last annual report are renewed.

Amount on hand July 1, 1868 .....	\$91,666 55
Received during the fiscal year .....	60,166 55
Expended during the fiscal year .....	48,985 31
On hand July 1, 1869 .....	42,681 24
Amount required, and which can be profitably expended during the fiscal year ending June 30, 1871 .....	100,000 00
(See Appendices E, E 1, E 2, and E 3.)	

2. *Buffalo Harbor, New York.*—The interior works of repair are nearly completed. The south pier has been extended three hundred and eighteen feet; but the dredging is deferred until the completion of the repairs of the piers. One hundred and fifty feet of the breakwater has been built to the low water level. It is expected that the interior harbor work will be completed during the present working season, and that there will be built by the close of the year 1870 from one thousand to one thousand two hundred feet of the breakwater, of which about eight hundred feet will be constructed under existing contracts, and the remainder from \$90,000 allotted from the general appropriation of 1869.

Amount on hand July 1, 1868 .....	\$193,124 82
Received during the fiscal year .....	119,124 82
Expended during the fiscal year .....	105,865 12
On hand July 1, 1869, including amount allotted from appropriation of April 10, 1869, (\$89,100) .....	176,359 70
Amount required, and which can be profitably expended, for the fiscal year ending June 30, 1871 .....	220,000 00
(See Appendices E and E 4.)	

#### HARBORS ON LAKE ONTARIO.

Officer in charge Brevet Colonel N. Bowen, major corps of engineers, assisted by Captain W. A. Jones and First Lieutenant B. D. Greene, corps of engineers. (These harbors were in charge of Brevet Colonel Blunt, corps of engineers, until January, 1869, and of Brevet Brigadier General McAlester, corps of engineers, until his death, April 23, 1869.)

1. *Olcott Harbor, (Eighteen Mile Creek,) New York.*—Since last annual report two hundred and seventy-five running feet of the west pier have been completed, and seventy running feet of cribs filled with stone, without the superstructure. Two cribs of the east pier were sunk before the winter set in. Dredging has been done in the channel and on the line of the piers. The contracts for material and labor have been annulled, and in future the work will be done by days' labor. It is proposed during the coming year to continue the dredging in the channel and on the line of the piers, and to carry out the two piers as far as the appropriation will justify.

Amount available for the work July 1, 1868 .....	\$50,671 67
Amount available July 1, 1869 .....	21,312 46
Required for the fiscal year ending June 30, 1871 .....	50,000 00
(See Appendix F.)	

2. *Oak Orchard Harbor, New York.*—Owing to the failure of the contractor for labor to comply with his contract, it was canceled and the work re-let. The loss of time consequent on this was very serious, and but little work has been done. The gap in the west pier has been finished except decking over. The old superstructure of the east pier has been removed, and three hundred running feet of cribs have been sunk



and filled with stone. Dredging has been done in the channel and on the line of the piers. It is proposed during the coming year to expend the whole of the balance remaining on hand in continuing the work on the east and west piers and on dredging in the channel.

Amount available for this work July 1, 1868 .....	\$74,793 00
Amount available for this work July 1, 1869 .....	45,350 43
Amount required to complete the work proposed to be done during the fiscal year ending June 30, 1871.....	50,000 00

(See Appendix F.)

3. *Harbor of Charlotte, New York, (mouth of the Genesee River.)*—This work progressed satisfactorily during the year until the appropriation became exhausted. Two thousand one hundred and ninety-eight running feet of cribs have been sunk and filled with stone upon the east pier, and were decked over for the security of the stone filling. There only remains to complete this pier forty-eight feet of crib-work, two hundred and sixteen feet of superstructure, and the pier-head. An appropriation of \$30,000 is urgently needed for this purpose, and \$15,000 to secure the end of the west pier at its junction with the bank of the river. The officer in charge recommends the sale of portions of the west pier, at cost, to private parties, for wharfage, the proceeds of such sale to be used for repairing the pier proper.

Amount available for the work July 2, 1868.....	\$19,995 94
Amount available for the work July 1, 1869.....	71 80
Amount required for the fiscal year ending June 30, 1871..	45,000 00

(See Appendix F.)

4. *Big Sodus Harbor, New York.*—The pier has been completed with the exception of the light-house head, 776 feet having been built during the fiscal year. There is material enough remaining on hand to add 90 feet to the length of the pier, before putting on the pier-head. This will be done during the coming season. The dredged channel has been increased to width of 200 feet. To complete the closing of the space between the entrance and the east shore will require an appropriation of \$30,000; to dredge the channel to the full width between the piers, \$35,000; for necessary repairs, \$10,000. This is the finest natural harbor on the lake, but its commerce is insignificant.

Amount available for this work July 1, 1868 .....	\$58,645 46
Amount available for this work July 1, 1869 .....	8,056 53
Amount required for the fiscal year ending June 30, 1871	35,000 00

(See Appendix F.)

5. *Little Sodus Harbor, New York.*—The superstructure was completed upon the three hundred feet of pier which remained unfinished last season. The width of the dredged channel has been increased from eighty to two hundred feet. It was found in the spring that the pier had sunk several feet in some places, probably owing to dredging too near the face of the pier, and to the shifting sand of which the bottom is composed. Proposals have been received for the extension of the pier 150 feet, which will be completed this season, and will exhaust the present appropriation. To complete this improvement as originally proposed will require an additional sum of \$35,000, and to restore the sunken parts of the present pier and to rebuild the breakwater \$25,000 will be required.

Amount available for this harbor July 1, 1868 .....	\$27,860 51
Amount available for this harbor July 1, 1869 .....	4,017 30
Amount required for the year ending June 30, 1871, to make the necessary repairs, and to dredge so much as may be required to clear the channel.....	25,000 00

(See Appendix F.)

6. *Oswego Harbor, New York.*—The work of the fiscal year has been confined to repairs of the United States pier and dredging the space inclosed by it.

It was proposed to prolong the pier 400 feet northerly during the fiscal year, but the work being unavoidably delayed, it will not be completed until the close of the present working season.

For the next fiscal year there will be required to complete the repairs undertaken this season and other repairs that may be necessary, \$35,000. This amount will level up and refill the whole of the old pier, repair breaches in the old stone parapet, and put the work in good order.

Amount available for this work July 1, 1868 .....	\$49,823 90
Allotted from appropriation of 1868.....	20,000 00
Allotted from appropriation of 1869.....	22,500 00
Expended during the fiscal year.....	20,997 69
Amount available July 1, 1869.....	70,326 23
Amount required for the fiscal year ending June 30, 1871	35,000 00

(See Appendix F.)

7. *Ogdensburg Harbor, New York.*—A contract was entered into last autumn for dredging in the Oswegatchie River, below the bridge, and upon the outer bar north of the light-house. At the end of the fiscal year the channel through the outer bar had been completed. During the remainder of the present working season, dredging in the river below the bridge will be continued until the available funds are exhausted. A recent survey shows a clear channel at least 12 feet deep below low water, and averaging 300 feet in width. No difficulty is experienced in entering the river.

Amount available for this work July 1, 1868.....	\$37,118 58
Amount available for this work July 1, 1869.....	19,272 49

No additional amount is asked for this harbor until the effect of the dredging recently carried on is fully developed. (See Appendix F.)

#### HARBORS ON LAKE CHAMPLAIN.

Officer in charge, Brevet Lieutenant Colonel J. W. Barlow, captain corps of engineers.

1. *Plattsburg Harbor, New York.*—The repairs on the breakwater having been completed, the available balance of the specific appropriation for the improvement of this harbor (\$6,212 38) has been applied to increasing the depth of water on the shoal between the breakwater and the wharves. By dredging, a depth of seven feet has been obtained on this shoal. The recommendation of last year is renewed, that the depth of water in this harbor be increased to nine feet. The demands of the increasing commerce of this port would seem to require a further extension of the breakwater. The officer in charge recommends an extension of three hundred feet to the northward. He also recommends that the foot of the slope along the government reservation be revetted.

The estimated cost of these improvements is.....	\$50,000 00
Amount of funds available July 1, 1868 .....	\$6,212 38
Expended during year ending June 30, 1869 .....	5,631 53
Balance remaining July 1, 1869.....	580 85
Amount that could be profitably expended on this harbor next season.....	\$25,000 00

(See Appendix G.)

2. *Burlington Harbor, Vermont.*—The work now in hand for the improvement of this harbor consists of an extension of the breakwater in accordance with the plan adopted and referred to in previous reports. During the working season of 1868, six cribs were placed in position and filled with stone, giving five hundred lineal feet additional length of breakwater. During the present working season the work has been resumed, and it is expected that with the amount of money available for this improvement, one hundred and sixty feet of crib-work will be completed, making a total extension of six hundred and sixty feet, leaving about eight hundred and forty feet of breakwater to be built to complete this work in accordance with the plan adopted.

Estimated cost of extension, (1,500') .....	\$333,442 00
Estimated cost of completion, (840') .....	150,000 00
Amount available July 1, 1868 .....	\$90,927 10
Amount expended during the year.....	48,912 16
Balance available July 1, 1869 .....	42,014 94
Amount required for next fiscal year.....	\$75,000 00

(See Appendix G 1.)

#### SURVEYS AND IMPROVEMENTS OF THE UPPER MISSISSIPPI, MINNESOTA, AND WISCONSIN RIVERS, AND CONSTRUCTION OF THE ROCK ISLAND BRIDGE.

Officer in charge, Brevet Major General G. K. Warren, Major corps of Engineers, assisted by Brevet Major A. Stickney, captain corps of engineers.

1. *Surveys and maps of the Upper Mississippi River.*—During the last fiscal year surveys and examinations were made at the sites of bridges between St. Louis and St. Paul, also of the harbors of Dubuque and Alton, with the view of preparing projects for preventing the injury caused by sand bars. It is very desirable that the survey of the river should be extended down to La Crosse, in order to embrace, some very shoal places found between that point and Winona. General Warren recommends that a survey and examination be made above the Falls of St. Anthony with the view of ascertaining the practicability of forming large reservoirs on the headwaters of the Mississippi to aid in keeping up the navigation at low stages. To make these surveys and examinations and complete the maps, together with the maps of the surveys previously made, will require an appropriation of \$25,000. (See Appendix H and H 3.)

2. *Dredge and snag-boats on the Upper Mississippi River.*—The two boats, Montana and Caffrey, were put in good order in the beginning of the season of 1868. One of the boats was soon called into requisition by the low water, and the work of that season fully demonstrated the success of the method of deepening the water on the bars by scraping. During that season one of the boats was employed one hundred and twelve days, and the other sixty-seven days. During the season of 1869, the low water again called for work on the part of the Caffrey early in July, and she prevented any suspension of navigation by the largest boats. Owing to therise in August, the Caffrey was laid up on the 8th, and the Montana has been employed in removing snags, stumps, and overhanging trees. The successful working of these boats, reported in the last annual report, is confirmed by the experience since acquired. In the upper part of the river there are several small channels which draw off the water from the main channel. It is desirable that these should be closed. For the improvement of the Upper Mississippi River, operating scraper and snag-boats, (including repairs,) and for dams to close channels injurious to navigation, there will be required for the next fiscal year \$51,000. (See Appendix H 1.)

3. *Wisconsin River.*—The officer in charge of this improvement expects to be able to present a full special report on the subject during the coming winter. A careful reconnaissance has been made to fill in details which were not covered by the survey of 1867. The maps are now nearly completed. A small steamer has been purchased for snagging operations and has been put to work at Portage with the design of clearing the channel way of snags and leaning trees—working down stream. A very great impediment to navigation now consists in the railroad and wagon-road bridges. The draws are too narrow, and some completely choked with sand. Dams are required to free these draws from sand bars.

For the next fiscal year, for continuing the operations of the snag and dredge boats and for building dams, there will be required \$115,000. (See Appendix H.)

4. *Improving Minnesota River.*—The appropriation made in 1867 for removing the snags and bowlders from the river has been exhausted. It is desirable that the improvement should be continued, and for this purpose there will be required for the next fiscal year \$15,000. (See Appendix H.)

5. *Du Luth and Bois Fort Reservation road.*—In the act making appropriation for the support of the army for the year ending June 30, 1870, ten thousand dollars were appropriated for the purpose of cutting out a road from Du Luth to the Bois Fort Indian reservation, in Minnesota. Although this money was not available until July 1, 1869, steps were taken to ascertain the best way to carry on the work. After an examination made by Major Stickney, it was determined that the most judicious outlay of the money appropriated would be to bridge the river, improve the swamp crossings on the line of Mr. Stuntz's road, to a point near the second crossing of Vermillion River, and thence cut out a road to Pelican Lake. A small party has been at work during the present working season, but have been much delayed by rains and flooded streams. (See Appendix H.)

6. *Rock Island bridge.*—By direction of the Secretary of War, the construction of the bridge over the Mississippi River at Rock Island was placed under the control of the Engineer Department, and General Warren, on the 10th July, was assigned to the immediate charge of the

work. He was directed to submit preliminary estimates of the cost of the bridge, and in the mean time to suspend the execution of the contracts for the construction of the piers. These estimates providing for a double-track railroad and wagon road in accordance with the requirements of the act of Congress making appropriation for the bridge, exceeded the limits of expenditure prescribed in the act, and General Warren was directed to go on with the construction of the piers, which will admit of a double-track or single-track superstructure, and to prepare estimates carefully for superstructures of single-track railroad and wagon road, and also of double-track railroad and wagon road, with a view to submitting the subject to Congress for decision. In his annual report General Warren presents the question of the cost of this bridge in a clear light.

Amount appropriated.....	\$700,000 00
Amount required for next fiscal year.....	300,000 00

(See Appendix H.)

**IMPROVEMENT OF THE DES MOINES AND ROCK ISLAND RAPIDS OF THE MISSISSIPPI RIVER, AND SURVEY AND IMPROVEMENT OF THE ILLINOIS RIVER.**

Officer in charge, Brevet Major General J. H. Wilson, lieutenant colonel United States Army, assisted by Captain and Brevet Major Charles J. Allen, Captain L. Cooper Overman, corps of engineers, and Lieutenant E. F. Hoffman, United States Army.

*1. Improvement of the Des Moines Rapids of the Mississippi River.*—This improvement consists in the construction of a canal around the rapids, and the work is naturally divided as follows: Excavation of prism and construction of embankment wall, building of locks, and the excavation of the Montrose Channel. The completion of any one of these separate pieces of work is of no advantage to commerce and navigation until all are finished. Work has been begun on the lower lock, upon the prism and embankment wall of the canal, and contracts have been made for furnishing cement for the lower lock, and stone for all the locks. No work has been done upon the channel improvement at Montrose, nor upon the guard and middle locks, all the money now available being pledged for other work.

During the past fiscal year the work has been carried on with varied success by contract, and for a time by "day's labor." Owing to the failure of the original contractors (Henegan & Son) new proposals were invited for the excavation of the prism and the construction of the embankment wall of the canal, and on December 12, 1868, a contract was made with Mr. J. J. Dull, the successful bidder.

The contractor for stone, Mr. Tobie, having failed, a contract was entered into with Charles G. Case & Co. to furnish the necessary stone.

Amount appropriated June 23, 1866.....	\$200,000 00
Amount appropriated March 2, 1867.....	500,000 00
Amount allotted July 20, 1868.....	300,000 00
Amount allotted May 11, 1869.....	178,200 00

Total.....	1,178,200 00
Amount expended to June 30, 1869, including retained percentage.....	433,121 21

Available July 1, 1869.....	<u>745,07</u>
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Amount required for the completion of the work according to revised estimate of General Wilson.....	\$1,410,000 00
Amount required for next fiscal year.....	1,000,000 00

Owing to the extraordinary rain-fall and continued high water, the progress made in carrying work forward has not been satisfactory during last season; still, much work has been done, and it is believed that with a favorable season next year, and with the necessary appropriation of money, the greater part of the work can be completed by the winter of 1870-71. (See Appendix I.)

2. *Improvement of the Rock Island Rapids of the Mississippi River.*—This work has been carried on during the year by Messrs. Case & Co., under their contract of June 28, 1867, and extension of December 2, 1868. From Duck Creek chain 9,900 cubic yards of rock have been excavated and removed, substantially completing the improvement of the chain. At Moline chain the coffer dam was completed July 30, 1868, and at the close of this fiscal year 16,900 cubic yards of rock were removed, leaving about 2,000 yards for completion. At Sycamore chain the coffer dam, inclosing about forty-five acres, was completed on November 14. About 15,800 cubic yards of rock have been removed, and at the close of the fiscal year there were about 1,400 yards to be excavated to complete this chain. During the present working season the contractors were greatly delayed by unfavorable weather and high stage of water in the river. Work was, however, commenced on Campbell's chain, and the coffer work, with a development of 3,660 linear feet, was completed; but at the end of the month of August it was impracticable to clear the dam of water.

Amount appropriated June 23, 1866.....	\$100,000 00
Amount appropriated March 2, 1867.....	200,000 00
Amount allotted August, 1868.....	156,000 00
Amount allotted May 11, 1869.....	133,650 00
Total.....	589,650 00

Amount expended to June 30, 1869, including reserved percentage.....	\$453,193 50
Amount available July 1, 1869.....	136,457 50
Amount required for next fiscal year.....	300,000 00

(See Appendix I.)

3. *Survey and improvement of the Illinois River.*—Field operations on the Illinois River were confined to examinations of sites for locks and dams in connection with the improvement proposed in 1867. The General Assembly of Illinois has directed the construction of one lock and dam on this river, to form the first link in the improvement, substantially conforming to the general plan previously recommended. This lock and dam is located at Henry, Illinois, and it is designed that the dam should be of such a height as will set the water back to a depth sufficient to flood all the bars at low water without dredging between the dam and the town of Utica. To lessen the height of the second dam contemplated near the mouth of Copperas Creek, it is proposed to dredge the bars intervening to a depth sufficient to furnish seven feet of water in the pool. The dam at Henry will extend the Illinois and Michigan Canal thirty-one miles, and with the dredging proposed will give Peoria, the most important city on the lower river, good water communication with Chicago. This dredging, it is believed,

can be accomplished with the sum of \$85,000 allotted from the general appropriation for improvement of rivers and harbors, approved April 10, 1869. Amount required for the next fiscal year for the construction of one dam and lock, \$300,000. (See Appendix I.)

#### IMPROVEMENT OF THE MOUTH OF THE MISSISSIPPI RIVER.

Officers in charge, Brevet Brigadier General M. D. McAlester, major corps of engineers, to November 21, 1868; Brevet Colonel F. E. Prime, major corps of engineers, from November 21, 1868, to April 16, 1869; Lieutenant D. W. Payne, corps of engineers, to June 7, 1869, and since that date Brevet Major C. W. Howell, captain corps of engineers, having under his orders First Lieutenants M. B. Adams and D. W. Payne, corps of engineers.

The early part of the fiscal year until the 3d of September was consumed in completing the construction, equipment, and delivery at New Orleans of a dredge-boat specially designed for this work by Brevet Brigadier General M. D. McAlester, then in charge. On the 3d of September this dredge-boat (the *Essayons*) commenced work on the bar at the mouth of Pass à l'Ouvre, and from that time until the 18th of June, 1869, was employed sixty-nine and a half working days in dredging a channel through the bar. As the result of this labor, the depth of water on the bar was increased from eleven feet six inches to seventeen feet eight inches, and a clear, direct channel, 175 feet wide at the narrowest part and seventeen feet eight inches in depth, made available for commerce on the 18th of June. The work was not as continuous as could have been desired, owing to accidents to the machinery and consequent delays which could not be foreseen and guarded against; nor was it at any time sufficiently uninterrupted to obtain the maximum depth (twenty feet) for which the dredge is calculated, and which experience has shown it can obtain and preserve by continuous work. The dredge-boat will be laid up at New Orleans during the sickly season and thoroughly repaired. Such alterations and additions to her machinery as have been shown to be desirable and essential to her future success will also be made. The plan of improvement adopted (by the use of the double-ender dredge-boats, fitted with an excavating screw and rake or scraper) has proved to be the best heretofore attempted, and if fully carried out will produce the result desired, viz: the permanent opening of the Mississippi River to vessels of great draught. To fully carry out the plan it will be necessary to build the second of the two dredge-boats authorized by the joint resolution of Congress, approved March 29, 1867, and employ her on the work in conjunction with the boat already so employed.

During the fiscal year the barge *Cavallo* was purchased as a tender to the *Essayons*, and an end dock built for the repair of the dredging screw. Both are in good condition.

It is desirable that measures be taken for guarding the channel excavated from damage, which may be caused by vessels grounding on its sides—an event that may occur from carelessness or from crowding the narrow channel.

The allotment for the current fiscal year, added to the unexpended balance on hand, amounts to \$57,887 51. During the next fiscal year \$365,000 can be profitably expended upon the work, and is absolutely essential to its complete success. Of this amount \$275,000 is estimated for the construction and delivery of the second of the two dredge-boats authorized, \$70,000 for working expenses, repairs, &c., of the ~~the~~

boat Essayons, and \$20,000 for working expenses of the second dredge-boat for three months. (See Appendix J.)

#### SURVEY OF THE MOUTH OF THE ST. JOHN'S RIVER, FLORIDA.

To comply with a request from the Committee on Commerce of the Senate, asking for "estimates of the expense of deepening the channel of the St. John's River, Florida, so that it will answer the demands of commerce," Brevet Major General Q. A. Gillmore, corps of engineers, was instructed to cause a survey and examination of that locality to be made, with the view of obtaining the latest requisite information to be laid before the committee. General Gillmore proposes, in his report of this survey, in preference to other more expensive projects which have been heretofore suggested for the improvement of this entrance, to try the simple plan of deepening the channel by repeated dredgings or rakings during the strongest stage of the ebb current, as promising at least a fair measure of success at a comparatively small cost. He thinks that a constant minimum depth of at least ten feet at mean low water, with a width sufficient for the purposes of navigation, may be secured on the bar at a cost not exceeding \$10,000 per year, and that the merits of the method proposed may be tested at an expenditure of not exceeding \$5,000. The project seems to meet the present wants of commerce and navigation, and it would be advisable to make the small appropriation recommended. This method, however, of improving the depth of water on the bar should be considered as purely experimental, and if it be successful it will only afford temporary relief; for experience has shown that if the channel through the bar is not fixed but is ever changing, depending upon the force and direction of the storms, even apart from the consideration of the effects of storms, the deepening must be continuous to maintain the depth when once secured. (See Appendix K.)

#### IMPROVEMENT OF THE NAVIGATION OF THE FALLS OF THE OHIO, AND ENLARGEMENT OF THE LOUISVILLE AND PORTLAND CANAL—IMPROVEMENT OF THE TENNESSEE RIVER.

Officer in charge, Brevet Major General G. Weitzel, major corps of engineers.

1. *Dams at the Falls of the Ohio.*—An allotment of \$85,000 was made from the appropriation of July 25, 1868, for the construction of a crib dam across the crest of the rocks in front of Louisville to raise the low-water mark about three feet. In consequence of high water the necessary surveys and soundings, to determine the best position for the two dams at the head and foot of the falls, could not be finished in time to commence work before the winter set in. But at the date of this report contracts had been awarded for material and labor for the upper dam, nearly all the material has been received, and the work upon that dam begun. (See Appendix L.)

2. *Enlargement of the Louisville and Portland Canal.*—An allotment of \$180,000 from the appropriation of April 10, 1869, for the improvement of harbors and rivers, has been made to be applied to the completion of the Louisville and Portland Canal. The United States are virtually the owners of this canal, and the work of enlargement being still unfinished, and the wants of commerce imperatively demanding the completion of this enterprise, it became a question whether, in view of the terms of the resolution of Congress of 1860, authorizing the president and directors of the company to enlarge the canal, using therefor the revenues and credits of the company, any portion of this appropriation for rivers and



harbors could be applied to the work of enlargement, or in any manner towards the improvement of the canal until the five individual shareholders transfer to the United States all the right, &c., they now hold in trust.

Although the subject has been frequently brought to the attention of Congress, yet no act or resolution has ever been passed specifically accepting the conditions of the act of the legislature of Kentucky of 1842, (for the sale to the United States of the shares belonging to individuals,) and authorizing or directing any officer of the United States to receive the bonds held by the trustees and assume the control of the canal. These individual shareholders, now composing the Louisville and Portland Canal Company, deem it their duty not to surrender their trust unless the United States assume the indebtedness of the company, which, up to this time, it has not done, and virtually refuses to do. While this anomalous condition of things continues—five individuals holding United States property in trust by authority of the legislature of a State, and controlling public property which has cost millions, and still unable to complete the canal improvement without increasing its debt—the heavy tax upon the commerce of our most important rivers is continued, and the navigation of the Ohio is most seriously obstructed.

The only practicable mode of reaching the end in view appears to be annual appropriations from Congress until the work is finished; the tolls of the canal being used for the payment of its working expenses, and the absorption of its debt, which they are adequate to.

The subject was laid before the Secretary of War with the opinion that, after careful examination and consideration, an allotment of some portion of the appropriation could be made for the enlargement of the canal, which recommendation met with his approval, and the officer in charge was directed to apply the whole of this allotment and whatever might be left from the first allotment, after the upper dam across the river was built, to this object.

It is proposed with this allotment first to enlarge and improve the entrance to the head of the canal as far as the upper guard gates, and then to apply whatever balance there may be to opening the new locks into the main trunk of the canal. The material for the work upon the dam at the head of the canal has been purchased and the work begun, and bids have been invited for the excavation required inside of this dam.

Amount expended during the fiscal year for the dam at the falls.....	\$26,054 47
Balance on hand and in treasury, July 1, 1869.....	238,945 53
Estimated cost of Louisville and Portland Canal extension.....	933,500 00
For two dams and one lock across the falls of the river at Louisville.....	310,000 00
	<hr/>
Allotted from appropriations of 1868 and 1869.....	1,243,500 00
	<hr/>
Total required.....	978,500 00
	<hr/>
Required for the fiscal year ending June 30, 1871, and which can be profitably expended.....	\$450,000 00
	<hr/>

(See Appendices L and L 1.)

3. *Improvement of the Tennessee River.*—During the present season

work upon this improvement has been at the three points between Chattanooga and Decatur, where the chief impediments to steamboat navigation in that part of the river are found—Tumbling Shoals, the Suck, and the Pot. A contract has been entered into and the work at the Suck has been prosecuted as vigorously as the stage of water during the season permitted; and it is hoped that all the work required at these points will be completed this year.

The officer in charge renews his recommendation for an appropriation of \$500,000 towards the enlargement of the old canal between Lamb's and Campbell's ferries as being of the first importance in connection with the removal of the obstacles to the navigation of the river, and asks for the sum of \$10,000 for additional surveys for the purpose of forming estimates of cost of canals around the Elk River and Little Muscle Shoals.

Amount allotted to Tennessee River improvement:

From appropriation of July, 1868 .....	\$85,000 00
From appropriation of April, 1869 .....	40,500 00
Total .....	125,500 00
Expended during the fiscal year .....	15,209 09
Balance on hand July 1, 1869 .....	110,290 31

(See Appendices L 2 and L 3.)

#### IMPROVEMENT OF WESTERN RIVERS, EXCEPTING THE OHIO.

Officer in charge, Colonel J. N. Macomb, corps of engineers, assisted by Brevet Major O. R. Suter, captain corps of engineers.

1. *Construction of snag-boats and machinery.*—At the commencement of the fiscal year, July 1, 1868, the three double-hulled snag-boats, viz., the J. J. Abert, the S. H. Long, and the R. E. De Russy, had been but a short time in service, but had given promise of the good work that this year's record shows for them. In the course of the year, one snag-boat, the S. Thayer, and one dredging-boat, the Octavia, have been added to the list. The snag-boat is of light draught, and was built for use in the Arkansas River. The dredging-boat was purchased, having been found upon trial to be well adapted to this service.

2. *Examinations and surveys.*—During the summer of 1868 a partial survey of the lower part of the Missouri River was made. During the past winter a careful reconnaissance was made and mapped of the Mississippi River continuously, with but few breaks, from Alton, Illinois, to Grand Gulf, Mississippi. During the present season a similar reconnaissance has been pushed up the Missouri, which has been mapped from the mouth to Yankton, Dakota. These maps are for the use and guidance of the operations for the improvement of the navigation of these rivers.

A surveying party, in charge of Mr. S. T. Abert, civil engineer, has been organized for the survey of the Arkansas River. The survey was begun at Fort Gibson and continued to Little Rock, a distance of three hundred miles. The final report will show the results of this survey under the heads of the physics and hydraulics of the river. (For preliminary report see Appendix M.)

3. *Improvement of the Mississippi, Missouri, and Arkansas Rivers.*—This has consisted in removing and destroying snags, cutting trees to prevent

the formation of snags, and in dredging bars in these rivers, and has been pushed forward vigorously during the last fiscal year by laying out the field into districts and keeping the boats at work as nearly together as possible, so as to admit of more easy supervision. In this way a large amount of work was done on the Mississippi during the winter and on the Missouri during the summer. The work on the Arkansas, requiring a boat of very light draught, was begun as soon as the boat was ready for service, and has continued with good progress since the month of May, 1869. The most sanguine expectations as to the success of the boats in this service for the past year have been realized, and, while they have all done remarkably well, they have demonstrated the necessity of having more boats, and particularly some of lighter draught of water.

There is a practical difficulty in combining the great strength which it is desirable that a snag-boat should possess with the lightness of draught requisite for working at the lowest stage of water, when the most dangerous snags become visible. Since these boats began to operate changes have been made in points of minor detail which have simplified and expedited the process of destroying snags and at the same time shown the feasibility of making a lighter draught boat that will do the work effectively.

An account in detail of the localities at which the snag-boats were employed will be found in Appendix M.

The following is a recapitulation of the work done during the year ending June 30, 1869:

Name of snag boats.	Number of snags pulled and destroyed.	Weight of snags in tons of 2,000 pounds.	Number of trees cut down.	Roots cut off trees under the bank.	Drift piles removed.
J. J. Abert .....	952	12,865.14	4,648	145	7
S. H. Long .....	767	13,006.05	3,789	434	25
R. E. De Russy .....	928	9,161.04	4,797	None.	4
S. Thayer .....	50	None.	None.	None.	None.
Grand total .....	2,697	35,758.9	13,165	579	36

**Amount required for the next fiscal year:**

Repairs of snag and dredge boats, and working the same during the remainder of the present fiscal year .....	\$166,000 00
For current expenses of the same during the fiscal year ending June 30, 1871 .....	255,000 00
<b>Total .....</b>	<b>421,000 00</b>
For building three additional boats, and for operating the same during the fiscal year ending June 30, 1871 .....	329,000 00
<b>Grand total .....</b>	<b>750,000 00</b>

(See Appendix M.)

**KANSAS CITY BRIDGE.**

Upon the representation of owners, captains, and pilots of boats navigating the Missouri River, and others interested, that the bridge

to be built across the Missouri at Kansas City greatly endangered navigation at all times, but especially during high water, and was not passable with any degree of safety, with the view of obtaining all the facts of the case, Colonel Macomb, corps of engineers, in charge of western river improvements, was directed to cause the necessary examination to be made. The report of Brevet Major C. R. Suter, captain corps of engineers, upon this subject, will be found in Appendix M 1.

#### RIVER CHANNELERS OR EXCAVATORS.

A plan proposed by Brevet Major C. W. Howell, corps of engineers, for channeling through the sand-bars which obstruct the navigation of the western rivers, with a description of the machine devised for the purpose, will be found in Appendix M 2.

#### WASTE LANDS—MISSISSIPPI RIVER.

By a resolution of the House of Representatives of February 5, 1869, the Secretary of War was requested to furnish the House with a copy of a memoir addressed to him by Brevet Brigadier General B. S. Roberts, United States Army, upon the subject of draining the surplus waters of the lakes into the Upper Mississippi, Illinois, and Ohio rivers, and of reclaiming the waste lands of the Lower Mississippi.

This resolution was referred to this office by the Secretary of War for a report upon the merits of the plan proposed by General Roberts.

Copies of my letter to him, of the memoir in question, and of a communication made by me in February, 1866, to General Delafield, then Chief of Engineers, upon the feasibility and expediency of carrying into effect the views presented in the memoir, will be found in Appendix M 3 to this report.

#### LEVEES OF THE MISSISSIPPI RIVER.

In reply to an inquiry from the chairman of the Committee on Commerce of the Senate as to the probable cost of building and repairing the levees of the Mississippi in the States of Louisiana, Mississippi and Arkansas, with the view of protection from overflow, an estimate was prepared by Brevet Brigadier General H. L. Abbot, major corps of engineers, to whom the subject was referred. This estimate and his report will be found in Appendix M 4, in which I fully concur.

#### IMPROVEMENT OF THE OHIO RIVER.

In charge of W. Milnor Roberts, United States civil engineer, and temporarily of Brevet Major General G. Weitzel, major of engineers.

The survey of this river, referred to in the last annual report as being in progress, has been completed. The whole distance from Pittsburg to Cairo has been found to be nine hundred and sixty-seven miles, two hundred and seventy-one miles of which was surveyed between the years 1836 and 1844. The results of the survey are comprised in one hundred and eighteen charts, drawn to a scale of one thousand feet to the inch, which contain very valuable information, as well in the interest of commerce as for navigation. Work upon the riprap dams, for the improvement of the low-water navigation has progressed satisfactorily, though in some instances it was retarded by the high stage of water. Contracts were made for dams at three of the most difficult points below

Cincinnati, and the work upon them will be commenced as soon as the necessary preparation can be made. There are several points below Louisville where improvement is urgently required. A system of lights to aid navigation at the Grand Chain is recommended by the engineer in charge, and land marks at other points he considers desirable. The operations of the snag-boats have been somewhat retarded by the high water; they have, however, performed very satisfactory work in the removal of obstructions to navigation caused by wreck, stumps, logs, &c.

Certain parties representing the interests of Bridgeport, Ohio, opposite Wheeling, having made representations respecting the injury which they anticipated would be done to Bridgeport by the construction of the proposed dam at the head of Wheeling Island, across the Ohio Channel, the engineer in charge was instructed to defer the construction of the dam until an examination of the locality could be made at a low stage of the river. The report of the engineer in charge upon the subject will be found in Appendix N 1.

Citizens of Marietta, Ohio, having also remonstrated against the erection of the dam, as proposed, at that place, a report upon the subject was also required of the engineer in charge. (See Appendix N 2.)

The engineer in charge estimates for continuing the improvement of the river during the next fiscal year, \$389,000. (See Appendix N.)

#### IMPROVEMENT OF THE PATAPSCO BELOW FORT MCHENRY, AND OF THE SUSQUEHANNA BELOW HAVRE DE GRACE.

Officer in charge, Brevet Brigadier General J. H. Simpson, colonel corps of engineers; assistant, First Lieutenant William R. Livermore, corps of engineers.

1. *Improvement of the Patapsco.*—The work of widening and deepening the new cut or Craighill Channel was vigorously prosecuted last year, till the first of November, when the three dredges were removed to the upper entrance of the Brewerton Channel, where they were efficiently engaged until the 10th of December, when, on account of rough weather, they were withdrawn. Operations were resumed this year, June 4, on the Craighill Channel, and at the date of this report it has been completed from Seven Foot Knoll to a little below Belvidere Shoals, with a width of two hundred feet and depth of twenty-one feet below mean low water.

Amount available July 1, 1868.....	\$3,982 84
Allotted from appropriation of 1868.....	17,000 00
Allotted from appropriation of 1869.....	27,000 00
Total .....	47,982 84

Amount expended during the fiscal year.....	\$26,056 65
Amount required to widen the Brewerton Channel to a width of two hundred feet and a depth of twenty-two feet, from Fort McHenry to its intersection with the Craighill Channel .....	168,900 00
Required for the fiscal year ending June 30, 1871.....	75,000 00

(See Appendix O.)

2. *Improvement of the Susquehanna below Havre de Grace.*—The deflector at the mouth of the river was stiffened and replaced in November, but was broken by a severe storm one week afterwards. The officer in charge renews the recommendation for a permanent struct

tached cribs of timber and stone at an estimated cost of about \$40,000, from which might be deducted the available value of the timber now on hand in the deflector, say \$8,000.

Amount available July 1, 1868 .....	\$13,500 95
Allotted from appropriation of 1868 .....	5,000 00
Allotted from appropriation of 1869 .....	1,000 00
Derived from sales of property during the year.....	534 40
Total.....	20,038 35

Expended during the fiscal year .....	\$18,725 85
Required for the fiscal year ending June 30, 1871 .....	32,000 00
(See Appendix O.)	

#### CONSTRUCTION OF THE DELAWARE BREAKWATER, DELAWARE; AND IMPROVEMENT OF THE HARBOR AT MARCUS HOOK, PENNSYLVANIA.

Officer in charge, Lieutenant Colonel C. S. Stewart, corps of engineers.

1. *Delaware Breakwater*.—From July 1, 1868, to June 30, 1869, labor has been hired by days' work, owing to the failure of the contractor. The first contractors for stone filled their contract on the 6th of October, 1868. Under a new contract, made September 12 of that year, stone was delivered in the following October. During the fiscal year 9,040 tons of stone for the superstructure have been put in place, and 9,271 perches of small stones thrown in to protect the foot of slopes and fill holes in bed, at the extremities of the works; 217 running feet of the superstructure have been completed, at the east end of the breakwater, and 281 at the corresponding end of the ice-breaker. It is expected that the work will be completed this season.

Expended during the year.....	\$80,797 57
Available for the year ending June 30, 1870.....	62,901 70
(See Appendix P.)	

2. *Harbor of Marcus Hook, Pennsylvania*.—The platforms have been placed on two cribs, completing the wood-work for two piers, and two cribs have been sunk in position. One of these has not yet been entirely filled with rubble stone. It is expected to begin the construction of the stone superstructure for two piers this season, and it is supposed the four piers may be completed during the year. No appropriation is asked.

Expended during the year ending June 30, 1869.....	\$9,039 73
Available for year ending June 30, 1870.....	59,021 35
(See Appendix P.)	

#### HUDSON RIVER IMPROVEMENTS, AND REMOVAL OF OBSTRUCTIONS IN NEW YORK HARBOR.

Officer in charge, Brevet Major General John Newton, lieutenant colonel of engineers, assisted by Brevet Lieutenant Colonel John M. Wilson, and First Lieutenants A. M. Miller and A. N. Lee, corps of engineers.

*Hudson River*.—During the fiscal year ending June 30, 1869, the new dikes at Cedar Hill and Cow Island have been completed, costing, respectively, \$49,970 77 and \$30,475 13. The former is 5,739 feet long,

and the latter 3,960. The effect of these dikes has been to increase the depth of water over Cedar Hill Bar from 7.5 to 9.2 feet. Cedar Hill Bar was formerly a serious obstacle, and it is now supposed that little or no dredging will be required.

A contract was made in the spring of 1868 for the removal of the old State dam, located just below Cedar Hill. Owing to failure of contractor, the work was carried on by hired labor. Four thousand cubic yards of stone, sand, and timber have been removed, and the remaining debris so scattered that probably no further removal will be required.

The contract for removing the face of Mull's Island has been completed. One hundred and fifty-eight thousand cubic yards were removed during the working season of 1868.

The Coeymans dike has been prolonged along the face of Mull's Island for 1,640 feet, and it is expected that this dike will be extended so as to connect with the New Baltimore dike during the present season.

Widening the channel between Barren and Mull's Islands has not only increased the flow of water, but has also increased the depth of water in the channel along the upper part of New Baltimore dike.

It is expected that still greater improvement will be effected by the projected dredging at the Coeymans Crossover, and in front of the New Baltimore dike.

General Newton anticipates the necessity for some changes in the plan of the New Baltimore dike, a strong and substantial structure 5,900 feet long, built by the commissioners of the State of New York; but before indicating any modifications, will observe the effects of the present works and contemplated dredging at Mull's Island and Coeymans Crossover.

Cuyler's dike has been prolonged 1,664 feet, to deflect the current and throw it into the proper channel leading towards Overslaugh dike.

At Roah Hook a dike has been constructed to deflect the water into the eastern channel at Barren Island. It has a length of 1,814 feet, and cost at the rate of \$10 10 per linear foot. At Parda Hook a dike has been commenced to deflect properly the current over Cedar Hill Bar, and protect the shores. The extension of this dike rendered it necessary to dredge a new channel; and a contract for this purpose has been made. An extension of the Castleton dike northward has also been commenced, and will be completed during the present working season.

Amount available July 1, 1868, of appropriations of 1866,	
1867, for improving Hudson River.....	\$179,395 96
Amount expended during year ending June 30, 1869, including amount retained for internal revenue.....	161,616 59
Amount available July 1, 1869.....	17,779 37
Amount allotted from general appropriation for repairs, &c., approved July 25, 1868.....	85,000 00
Amount allotted from general appropriation for improvement, &c., approved April 10, 1869.....	89,100 00
Total available July 1, 1869.....	191,879 37
Amount required to complete the improvement of Hudson River according to plan submitted.....	466,402 11
Amount necessary to be appropriated.....	274,522 74

Amount required for next fiscal year, and which can be profitably expended.....	\$100,000 00
To dredge and keep open the channel between Albany and Troy will probably require an annual expenditure of about.....	20,000 00

The permanent improvement of that section of the river is considered by the engineer officer in charge of doubtful practicability. (See Appendix Q.)

*Hell Gate, East River, New York.*—After the allotment of \$85,000 had been made, July 31, 1868, from the general appropriation for river and harbor improvements, approved July 25, 1868, new surveys of Frying Pan and Pot Rock were at once undertaken in order to determine the amount of rock to be removed to give a depth of twenty-five feet at mean low water. Proposals were invited, and a contract for the removal of these rocks was awarded to Mr. Sidney F. Shelburne, the lowest bidder. After many delays, and some modifications in his machinery, the contractor commenced work upon Frying Pan Rock on or about the 15th of January, 1869. Several holes were drilled into the rock, but the machine was finally laid aside by the contractor with a view to constructing another of greater capacity. The time of the contract for the removal of these rocks was extended to August 15, 1869, but up to the close of the fiscal year no real progress had been made in the work.

On the 11th May, 1869, an additional allotment of \$178,200 was made for the East River from the general appropriation for the improvement of rivers and harbors, approved April 10, 1869. A contract was then made with Maillefert & Co. for the removal of Pot Rock, Way's Reef, and Shelldrake, at the rate of \$44 28 per cubic yard. For the further improvement of the navigation at Hell Gate the engineer officer in charge submitted a project for the removal of Hallett's Point, and also one for the removal of the channel rocks. At the close of the fiscal year initiatory steps were accordingly taken towards the prosecution of this portion of the work. Surveys have been made of Pot Rock, Frying Pan, and Way's Reef in Hell Gate, and also of a great part of Diamond Reef.

Amount allotted from general appropriation of July 25, 1868.....	\$85,000 00
Amount allotted from general appropriation of April 10, 1869.....	178,200 00
Total.....	263,200 00
Amount expended to June 30, 1869.....	6,135 62
Amount available July 1, 1869.....	257,064 38

The work now in progress will absorb all the available funds. The amount which can be profitably expended during the next fiscal year is \$400,000. (See Appendix Q 1.)

*Improvement of the harbor of Rondout, Hudson River, New York.*—Under a resolution of the House of Representatives of the 28th January, 1869, information was required in reference to the improvement of Roundout Harbor, New York. To comply therewith Brevet Major General Newton was directed to submit a project for this improvement, with an esti-



mate of cost. He recommends a system of dikes to direct the down currents of Rondout Creek and of the Hudson in such a manner as to insure the co-operation of both in the transport of silt away from the mouth of the harbor, and thereby maintain a navigable channel of sufficient width. Some dredging might likewise be necessary. He estimates that to insure the full permanent improvement of which the locality is susceptible, and to secure a depth of water from thirteen to fourteen feet at mean low water, would require an expenditure of \$132,665 56. (See Appendix Q 3.)

*Removal of the wreck of the steamer Scotland in New York Harbor.*—An appropriation of \$100,000 was made July 25, 1868, for the removal of the wreck of the steamship Scotland, situated in the south channel of New York Harbor, near Sandy Hook. Proposals were advertised for, and a contract awarded September, 1868, to the Neptune Submarine Company, of New York, the lowest bidders, for the sum of \$63,300, and all the rights of the United States to the vessel and cargo. The company commenced operations on the 23d September, and in April, 1869, the officer in charge caused a survey to be made of the progress of the work. The results of this survey, although not allowing of the payment to the contractors of any portion due upon the contract, was satisfactory, and showed that real progress had been made upon several portions of the wreck.

NOTE.—The first section of the wreck has been removed and paid for since the commencement of the present fiscal year. (See Appendix Q 5.)

*Bridge proposed to be built between the cities of New York and Brooklyn.*—The act of March 3, 1869, establishing a bridge and post route across the East River, made it the duty of the Secretary of War, to determine whether said bridge, when built, will conform to the prescribed conditions of the act, not to obstruct, impair, or injuriously modify the navigation of the river. A commission of three officers of the corps of engineers was constituted by order of the Secretary of War, to report

First. Upon the plan and location of the bridge and practicability of the structure.

Second. What effect the piers and tower foundations and abutments will have upon the navigation of the river, upon its regimen, and upon the approaches to the harbor of New York.

Third. To what extent the bridge will obstruct or interrupt the passage of vessels and the free access to the United States navy yard at Brooklyn.

Fourth. And such other facts and views as might be found to have an important bearing upon the question, whether the said bridge when built will conform to the prescribed conditions of the act of Congress relating to it.

This commission met in the city of New York and made a report, which was submitted, with recommendations from this office, to the Secretary of War, May 31, 1869, who approved the views and recommendations of the commission, as well as those of the chief of engineers, and the plan of the bridge as proposed by the New York Bridge Company, with the provision that the height of the center of the main span of the bridge shall not be less than one hundred and thirty-five feet in the clear at mean high water of the spring tides; and that, further, the structure shall conform in all other respects to the conditions recommended by the commission.

The report of the commission, with the letters from this office upon the subject, will be found in Appendix Q 4.

**IMPROVEMENT OF PROVIDENCE AND PAWTUCKET RIVERS, RHODE ISLAND, AND THAMES RIVER, CONNECTICUT; REMOVAL OF MIDDLE ROCK, NEW HAVEN HARBOR AND WESTPORT HARBOR, CONNECTICUT; SURVEYS OF CONNECTICUT RIVER AND BRIDGEPORT HARBOR, CONNECTICUT.**

Officer in charge, Brevet Colonel D. C. Houston, major corps of engineers.

1. *Improvement of Westport Harbor, Connecticut.*—Nothing has been done in this harbor, as the amount of appropriation for the work, \$2,500, is entirely inadequate. The recommendation of an appropriation of \$10,000 made last year is renewed. (See Appendix R.)

2. *Removal of Middle Rock, New Haven, Connecticut.*—The work of removing this rock has not been renewed for want of funds. It is estimated that \$10,000 will complete the removal to the depth originally intended, seventeen feet at low water. The entire removal of the obstructions at the entrance to this harbor requires not only the removal of Middle Rock, but also that of Southwest Ledge, and of two intermediate rocks. On the Southwest Ledge there are six and a half feet at low water, and on the other rocks thirteen feet and fourteen feet, respectively.

To secure a depth of seventeen feet on Middle Rock will require.....	\$10,000 00
To remove the Southwest Ledge to same depth.....	30,000 00
To remove the intermediate rocks to same depth.....	25,000 00

Total required for "removing rocks in New Haven Harbor".....	65,000 00
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(Appendix R.)

3. *Survey of Connecticut River from Hartford to its mouth.*—The plan recommended for the improvement of the river between these points is to deepen the water on the bars by dredging or scraping. It is estimated that the sum of \$70,000 will suffice to give a depth of eight feet as the lowest water, and that the sum of \$10,000 expended annually will suffice to maintain this depth. (Appendix R.)

4. *Improvement of Thames River, Connecticut.*—The work on this river has consisted in deepening the channel below the city of Norwich to obtain a depth of fourteen feet at high water. It is expected that this will be completed during the present working season, and that a sufficient balance will be left to enable an examination to be made next season for the purpose of ascertaining the effects of the work. No estimate is submitted for the fiscal year ending June 30, 1871. (Appendix R.)

5. *Improvement of Providence River, Rhode Island, at "the Crook."*—No work has been done on this river during the year. The engineer in charge reports that the sum of \$10,000 per annum could be advantageously applied in dredging the channel of this river below the Fox Point wharf.

Required for the next fiscal year, \$10,000. (Appendix R.)

6. *Improvement of Pawtucket River, Rhode Island.*—The small balance

maining on hand at last report has been expended in dredging. To complete the work deemed necessary, viz: dredging to obtain a channel 6 feet deep at mean low water, will require an appropriation of \$15,000, which amount is required for the next fiscal year. (Appendix R.)

7. *Survey of Bridgeport Harbor, Connecticut.*—A resurvey of this harbor was made last year, and from a careful study of the changes in the harbor that this survey has developed it is not deemed by the engineer in charge necessary to recommend the construction at this time of any works of improvement. The channel and harbor facilities are essentially good as shown by the survey of 1837. The channel at its present depth is an artificial one made by dredging. That it remains unchanged to depth is evidence that no serious injury has been sustained. It is doubtful whether there is any permanent remedy for the evil anticipated by those interested in this harbor. The effect of storms on the sandy bottom of a shoal harbor is necessarily to shift the channel more or less, and if it should be found in future that the channel is not maintained by the action of the tidal currents it will be necessary to excavate as was formerly done. (See Appendix R and R 1.)

8. *Plymouth Beach, Massachusetts.*—This work was in charge of Brevet Major J. A. Smith, captain corps of engineers, until June 1, 1869. Two hundred lineal feet of substantial crib-work of timber covered with plank, and one hundred and seventy-five feet of triangular work, similar to that before used, were completed last autumn. One crib one hundred feet long was framed and another partly built, neither of which could be put in position, owing to the unusual inclemency of the season and the attendant expense. The beach is greatly exposed to the action of the sea, owing to the unfinished condition of those works intended for its preservation. A project and estimate will be made as early as practicable for the preservation of the beach, upon which the existence of the harbor depends.

Amount allotted to this work from appropriation for repairs of harbors on the Atlantic coast .....	\$7,500 00
Amount expended during the fiscal year ending June 30, 1869.....	7,423 39

(See Appendix R.)

**PRESERVATION AND IMPROVEMENT OF BOSTON HARBOR; PRESERVATION OF THE HARBOR OF PROVINCETOWN; IMPROVEMENT OF THE HARBOR OF NEWBURYPORT, AND SURVEY OF THE MERRIMAC RIVER.**

Officer in charge, Brevet Major General J. G. Foster, lieutenant colonel corps of engineers, assisted by Brevet Lieutenant Colonel G. L. Gillespie, and Brevet Major George Burroughs, captains corps of engineers.

1. *Dredging off the southwest point of Lovell's Island.*—The work has been carried on steadily by the contractor, who removed 66,909.54 cubic yards, widening the channel to 600 feet at the 16-foot curve, with an average depth of 16½ feet. By the close of the season it is expected that this depth will be increased to 23 feet. (See Appendix S.)

2. *Dredging channel across the Upper Middle Bar.*—Four hundred and fifty cubic yards of material have been removed. The work has been expended and the amount heretofore allotted for this work has been transferred to the dredging at Lovell's Island. (See Appendix S.)

3. *Blasting and removing Corwin Rock.*—This rock and an adjoining ledge has been entirely removed to a depth of 23 feet at low water.

1,356 tons of rock have been blasted; 1,192 tons deposited on shore, and 164 tons allowed to remain in deep water. The channel formerly between this rock and Tower Rock has been widened by the removal of these rocks from 250 feet to 600 feet. (Appendix S and S 1.)

4. *Blasting and removing Barrel Rock.*—A survey of this rock was made as well as contracts for its removal, and the preliminary preparations for active operations. This rock has since been removed. (See Appendix S.)

5. *Sea-wall at Point Allerton.*—The title to the land for the site of the wall (forwarded in January last) has not received the approval of the Attorney General yet; as soon as this is obtained, proposals will be invited for the construction of the wall. (See Appendix S.)

6. *Sea-wall at Gallup's Island.*—This work has steadily progressed; 558 feet of foundation and 456 feet of wall has been built. (See Appendix S.)

7. *Sea-wall for the preservation of the North Head of Long Island.*—The jury of the county court has determined upon the amount to be paid by the United States for the site of this wall, and the fortifications to be erected there. As soon as this amount is paid, either to the owners or to the judge of the court, (according to an act of the legislature of Massachusetts,) and the title receives the approval of the Attorney General, preparations for active work will be made.

Estimates for the fiscal year ending June 30, 1871, for continuing the preservation and improvement of Boston Harbor, a portion of which should be made available for the present fiscal year:

For dredging at Lovell's Island, to complete the work....	\$75,000 00
For sea-wall at Gallup's Island, to complete .....	60,000 00
For dredging at Upper Middle Bar.....	100,000 00
For sea-wall at Point Allerton, to complete.....	40,000 00
For sea-wall at Long Island.....	40,000 00
For contingencies .....	15,000 00
Total.....	<u>330,000 00</u>

8. *Preservation of Provincetown Harbor.*—At Beach Point a brush bulk-head and jetties have been constructed which are fast gathering the floating sand. A dike to guard against any possible breach by the sea through the outer beach has been constructed across the Salt Meadows and East Harbor Creek at High Head. The current and tidal observations in the immediate charge of Captain George Burroughs, brevet major United States Army, have been completed. An allotment of \$9,000 from the appropriation of 1869 was made for the construction of certain works for the preservation of the harbor urgently needed, which will be expended this season.

Amount required to be appropriated for the fiscal year ending June 30, 1871, \$25,000. (See Appendix S and S 2.)

9. *Merrimac River.*—Surveys have been made of the obstructions in this river, and a report with estimate of cost of removal submitted. (See Appendix S and S 3.)

SEA-WALLS AT GREAT BREWSTER, DEER, AND LOVELL'S ISLANDS, BOSTON HARBOR.

Officer in charge, Brevet Major General H. W. Benham, colonel corps of engineers. -

1. *Great Brewster*.—The work of the fiscal year comprised the setting of the heavy shell-stone paving in rear of the whole of the most exposed portion of the east face of the North Head, about 700 running feet; filling the rear of about 400 feet of other portions with earth, covered in the most exposed parts with small bowlders as a temporary protection against the dash of the sea, and the construction of a strong stone pile jetty to protect the west corner of the wall of South Head. It is expected that at the close of the present working season all the work remaining to be done for the complete protection of the North Head, together with two or three jetties at the angles, will be finished, so that all that now appears necessary for the protection of the island will be completed this season, and no further appropriation for this object will be required.

Amount on hand July 1, 1868.....	\$547 85
Allotted from appropriation of July 25, 1868.....	10,000 00
Allotted from appropriation of April 10, 1869.....	25,000 00
	<hr/>
	35,547 85
Expended during the fiscal year.....	8,625 87
	<hr/>
Amount available July 1, 1869.....	26,921 98
	<hr/>

(See Appendix T.)

2. *Deer and Lovell's Islands*.—Upon the sea-wall at Deer Island 1,250 running feet of the wall of the North Head had been rebuilt and repaired up to the close of the present fiscal year, (June 30,) making in all about 2,210 running feet of wall rebuilt on the three bluffs of the island since 1865. All the most exposed parts of this wall are now repaired. The engineer in charge recommends as an additional security that some 200 or 300 feet of the North Head wall be rebuilt at a cost of about \$8,000. At Lovell's Island a strong but small wall of about 800 feet in length, with four jetties at the angles, has been built to protect the southeast bluff, which appear to answer the purpose and to increase the breadth of the beach in front of it. An apron facing of stone, protected by concrete, has been constructed in front of the eastern half of the old wall. Some further repairs and a new jetty are recommended at a cost of about \$2,000.

Amount on hand July 1, 1868.....	\$50,515 30
Expended during the fiscal year.....	43,245 16
	<hr/>
Amount available July 1, 1869.....	7,270 14
	<hr/>

(See Appendix T.)

#### IMPROVEMENT OF HARBORS IN THE STATE OF MAINE.

Officer in charge, Brevet Brigadier General George Thom, lieutenant colonel of engineers.

1. *Saco River improvement*.—These improvements consist in the rebuilding of some of the most important piers in the river, the removal of the sunken rocks, and the construction of a breakwater at the mouth of the river. On the 30th of June, 1869, the sunken rocks had all been removed from the channel near Little Islands, and the breakwater at the mouth of the river had been partially built for a distance of 4,000 feet out from the shore, containing 51,223  $\frac{1}{2}$  tons of stone. The first 2,550 ft

this breakwater is built up to a general level of nine feet above mean low water, with an average thickness of twenty feet, the remaining portion forms but the "core" of the work to be built, and is barely sufficient to divert the channel as required, or to withstand the violent storms to which it is exposed. This work in its present unfinished condition has accomplished all that was expected from it. It has closed the old North Channel, (as was intended,) and formed a new one, (as was desired,) which is deeper, much more uniform and direct along the inside of the breakwater as far out as it extends, and it is apparently improving beyond that point. To complete this work in a proper manner, it must be increased throughout in height and thickness, and extended. The additional amount required for the *completion* of all the improvements proposed at this time (exclusive of the capping of the breakwater estimated for in previous reports) is \$60,000, which amount can be profitably expended during the fiscal year, ending June 30, 1871. (See Appendix U.)

2. *Extension of the breakwater and improvement of the harbor at Portland, Maine.*—The capping of the unfinished portion of the breakwater has been completed, in all 733½ lineal feet. Under a joint resolution of Congress, approved June 5, 1868, the harbor has also been improved by dredging a channel through the "Spit," near the "middle ground," in which there are now twenty feet of water at mean low water, or twenty-nine feet at mean high water. A contract has also been made for excavating a new channel through the "middle ground bar," to be completed on or before the first of November, 1869, and it is probable that it will be completed in that time.

On hand July 1, 1868.....	\$79,397 87
On hand July 1, 1869.....	64,491 82

Which amount will be expended by the close of this working season in deepening the channel.

For finishing the breakwater, an additional sum will be required of \$40,000.

(See Appendix U, U 1 and U 2.)

3. *Improvement of the Kennebec River, between Gardiner and Augusta, Maine.*—This work consists in straightening and deepening the channel of the river, by dredging through several shoals and the removal of rocks which obstruct it between Gardiner and Augusta, Maine. The width of the channel estimated for is one hundred feet at bottom, with sides having a slope of two feet to one foot rise, and a depth of seven feet up to Hallowell, and six and one-half feet thence to Augusta, at low tide in the lowest stages of the river, being about twelve feet at high tide in the same stages. The channel has been completed through Hallowell and Shepard's Point Shoal (at and below Hallowell) to a width of 75 feet, and is in progress to the same width through Britt's Shoal, above Hallowell, which will probably be completed before the 1st of October, 1869. The channel through Gage's Shoal will, it is probable, be more than half completed during the present season. About thirty bowlders have also been removed from the river at Shepard's Point, Hallowell and Britt's Shoals.

The additional amount required to complete the channel from Gardiner to Augusta, (through Hinckley's Shoal and the unfinished portion of Gage's Shoal,) and to increase the width of the new channel throughout to one hundred feet, is estimated at \$22,500. (See Appendix U.)

4. *Improvement of the navigation of the St. Croix River, above the ledge.*—For this improvement it will be necessary to deepen its channel by the removal of slabs, edgings, and sawdust which for thirty years and more have been accumulating in large quantities in this river.

The act making an appropriation for this improvement requires the co-operation of the province of New Brunswick, which has not yet been obtained, so that operations have not yet been commenced.

Amount appropriated for this work.....	\$15,000 00
Additional amount required for its completion.....	35,000 00

It being understood that the province of New Brunswick will contribute an equal amount for this purpose. (See Appendix U.)

5. *Survey and improvements at Richmond's Island, Cape Elizabeth, Maine.*—A survey of this locality has been made, with a view to forming an estimate of the probable cost of a breakwater to connect the island with the main land. Such a breakwater would form a good harbor of refuge, affording safe anchorage and good holding ground, with the wind from any point between north and southwest, affording refuge to vessels prevented by northeast storms from entering Portland or adjacent harbors. The breakwater to be permanent should be built of rubble stone, of which the engineer in charge estimates that there will be required 68,000 tons. This, when placed in the structure, would cost \$93,000.

Amount which can be profitably expended during the fiscal year ending June 30, 1871, \$50,000. (See Appendix U.)

6. *Improvement of the "Gut" Back River, opposite the city of Bath, Maine.*—Owing to the contraction of the channel of Back River at the upper Hell Gate, the tidal current runs through this gate with such violence as to endanger the navigation at any other time than at high and low water, except for steamers. The difficulties are still further increased by a large rock, known as "Boiler Rock," which lies in mid-channel some seventy-five yards below the gate. The engineer in charge examined this rock with the aid of a submarine party. It lies in from three to four fathoms water at low tide, its highest point being only about three feet below the surface at mean low water, and ten feet below it at high water. For the improvement of navigation at this place, the engineer in charge recommends—

1. Boiler Rock to be removed to a depth of twelve feet, requiring seventy cubic yards of blasting, which, at \$50 per cubic yard, would cost.....	\$3,500 00
2. The point of ledge contracting the channel at Upper Hell Gate to be blasted off, requiring about 1,500 cubic yards, at \$4 .....	6,000 00
3. Deepening the bar about midway between Upper Hell Gate and Arrowsic bridge, so as to afford a channel one hundred feet wide and ten feet deep at mean low water, requiring 11,000 cubic yards of dredging, which, at fifty cents per cubic yard, would cost.....	5,500 00
Add ten per cent. for contingencies .....	1,500 00

Total required for the proposed improvement .....	16,500 00
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All of which could be profitably expended during the fiscal year ending June 30, 1871. (See Appendix U.)

7. *Survey and improvement of the Penobscot River, Maine.*—This survey has been completed. Very extensive and accurate soundings and borings made in the river show that from Crosby's Narrows up to Bangor, a distance of some three and a half miles, the bed of the river is seriously obstructed with slabs, edgings, and sawdust, to an average depth of ten feet, and in some localities more than eighteen feet; and that the harbor of Bangor is also obstructed with several large sunken rocks. To restore the channel to the original river bed would require an excavation of more than 5,000,000 cubic yards of its accumulations. But a passable channel could be made at a cost estimated at from \$100,000 to \$500,000, according to its width and depth. (See Appendix U.)

8. *Improvement of Union River, Maine.*—A careful examination of this river, from its mouth to Ellsworth, has been made. The engineer in charge estimates that for the improvement of the navigation between these points, by clearing it of slabs, edgings, and sawdust, removing boulders and sunken rocks, and erecting five stone beacons, there will be required an appropriation of \$40,000, which, in view of the large lumber trade, he recommends to be made. (See Appendix U.)

#### RIVERS AND HARBORS ON THE PACIFIC COAST.

Officer in charge, Brevet Lieutenant Colonel R. S. Williamson, major corps of engineers, assisted by first Lieutenant Wm. H. Heuer, corps of engineers.

1. *Improvement of the Willamette River, below Portland, Oregon.*—The operations on this river during the past fiscal year have been confined to dredging on Swan Island Bar, and the bar at the mouth of the river, and to removing snags at each of these localities. Surveys were made of the Willamette slough and of the mouth of the river. Many difficulties were encountered causing delays in the prosecution of the work. In December, 1868, when the dredging was temporarily suspended, a channel had been cut over Swan Island Bar, admitting vessels drawing fifteen feet, during the low water stage. The total length of channel excavated since the commencement of the work in 1867, at this locality, is 3,200 feet. The estimate of the cost of deepening Swan Island Bar to eighteen feet was based on the supposition that the cost of dredging at a depth between fifteen and eighteen feet would not vary materially from the cost of the previous dredging.

From a report received from the officer in charge, it appears that the dredging at this place has been greatly retarded during the summer by numbers of large, sunken trees imbedded in the bar, the removal of which has been found to consume much time, besides causing frequent breaks in the machinery. For these reasons he deems it advisable to increase his estimate of the amount required for the fiscal year ending June 30, 1871, as follows:

For Swan Island Bar.....	\$25, 000 00
For keeping open the channel at the mouth of the Willamette River .....	6, 000 00
Total.....	31, 000 00

which he believes will complete the work on the Swan Island Bar, and keep open the channel at the mouth of the river up to that date.



Amount of appropriation and allotments for the improvement of Willamette River ..... \$79,500 00  
 Amount available July 1, 1869 ..... 26,923 74  
 Amount required to be appropriated ..... 31,000 00  
 which can be profitably expended during the fiscal year ending June 30, 1871. (See Appendices V V 1 and V 1, a.)

2. *Removal of Blossom Rock in the harbor of San Francisco.*—After the allotment of \$50,000 had been made from the general appropriation of 1868 for rivers and harbors for the removal of this rock, the work was advertised and proposals invited. Only one proposal was made, and that being unsatisfactory was rejected. A plan for the removal of this rock was submitted to the officer in charge, accompanied by an offer to remove it to a depth of twenty-four feet at mean low water for \$75,000, no payment to be made until the satisfactory completion of the work.

This offer has been accepted, and the officer directed to enter into contract in accordance with the foregoing terms.

Amount allotted from appropriation of 1868.....	\$50,000 00
Amount allotted from appropriation of 1869.....	25,000 00
	<hr/>
	75,000 00
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(See Appendices V and V 3.)

#### SURVEYS AND EXAMINATIONS ON THE PACIFIC COAST.

1. *Survey of the Upper Columbia River, Oregon.*—Portions of the Upper Columbia River, Homly Rapids, and Rock Creek Rapids, have been examined with a view to ascertaining the position and dimensions of certain rocks, and to preparing estimates of the probable cost of removal of these obstructions. (See Appendix V.)

2. *Harbor of San Pedro, (Wilmington,) California.*—An examination of this locality has been made with a view to preparing a project for the improvement of the harbor. The report of the officer in charge, with estimate of the probable cost of improvement, is transmitted herewith. (See Appendices V and V 2.)

#### SURVEYS AND EXAMINATIONS WITH THE VIEW TO THE IMPROVEMENT OF RIVERS AND HARBORS.

The following estimates of appropriations showing the amounts required for the purpose of making further surveys and examinations of localities, the improvement of which has been heretofore, or that may be hereafter authorized, were submitted in my last annual report; and there having been no appropriation made for this purpose, the estimates are again submitted.

For the Atlantic coast.....	\$30,000 00
For the Pacific coast .....	25,000 00
For the western and northwestern rivers.....	125,000 00

#### WORKS IN THE DISTRICT OF COLUMBIA.

##### PUBLIC BUILDINGS, GROUNDS, AND WORKS, IN THE DISTRICT OF COLUMBIA.

Officer in charge, Brevet Brigadier General N. Michler, major of engineers.

For the condition of the public buildings, grounds, and works, and recommendations for their further improvement, see the report in detail of the officer in charge. His estimate for the next fiscal year is—

For the improvement, care, and repair of public buildings, grounds, and works, in the District of Columbia.....	\$584, 192 00
For compensation of persons employed on and about public buildings, grounds, and works, as above .....	49, 002 00
Total .....	<u>633, 194 00</u>

(See Appendices W and W 2.)

#### WASHINGTON AQUEDUCT.

A report in detail upon the condition of this work will be found in Appendices W and W 1.

The officer in charge submits estimates for the fiscal year ending June 30, 1871, as follows:

For continuing the construction of the distributing reservoir .....	\$200, 000 00
For completing unfinished work and for superintendence and repairs .....	188, 190 00
Total .....	<u>388, 190 00</u>

#### BISHOP'S CANAL LOCK.

By authority of the Secretary of War a board of engineers was detailed February 21, 1867, to examine the model of an improved canal and ship lock submitted by Mr. Martin Bishop, of Ohio. The report of this board will be found in Appendix W 3.

#### SURVEY OF NORTHERN AND NORTHWESTERN LAKES.

Lieutenant Colonel and Brevet Brigadier General W. F. Reynolds, corps of engineers in charge, assisted by Captain and Brevet Lieutenant Colonel F. M. Farquhar until the month of November, 1868 by Lieutenant J. F. Gregory during the entire year; by Lieutenant B. D. Green until April, 1869; by Lieutenants E. H. Ruffner, J. C. Mallery, and W. E. Rogers during the entire year; by Lieutenant L. M. Haupt until January, 1869, and by Lieutenant J. E. Griffith until April, 1869.

Captain and Brevet Major J. A. Smith reported for duty on the survey in the month of June, 1869.

In addition to the above-named officers of the corps of engineers, General Reynolds was assisted by Messrs. D. F. Henry, O. N. Chaffee, J. R. Mayer, and H. Gillman, as principal assistants. Messrs. Chaffee and Gillman tendered their resignations, and did not enter upon the field-work in the season of 1869. They were succeeded by Messrs. A. C. Lamson and O. B. Wheeler, principal assistants.

During the season of 1868 the operations of the survey were carried on by the three steamers belonging to the lake survey and five shore parties on Lake Superior; three astronomical parties, one at Ogdensburg, one at Watertown, and one at Oswego, in the State of New York; three gauging parties, measuring the outflow of the rivers St. Clair, Niagara, and St. Lawrence; thirteen meteorological observers at different localities on the lakes; two draughtsmen, reducing maps for publica-

tion; two assistants, in office and attending to chart distribution; three assistants, engaged in reducing meteorological observations, &c.

During the season 1869, in consequence of the late date at which the act of partial appropriation of funds was passed by Congress, the field force was reduced proportionately, and the operations of the survey progressed with the following organization, namely, two steamers and two shore parties, six astronomical and triangulation parties on Lake Superior, and two river gauging parties on the rivers St. Clair and Niagara.

The stations for the primary triangulation of Lake Superior have been selected. This duty involved an examination of heights near the shore, and as they are all covered by a dense growth of forest trees, the amount of labor required for selection was far greater than would have been the case in a region under cultivation.

General Raynolds expresses the opinion that the reconnaissance leaves but very little doubt that a system of triangles can be obtained that will cover the entire lake.

The off-shore hydrography of the northern coast has been completed, and the greater portion of that of the southern coast will be completed this season.

A portion of the general hydrography as well as a portion of the primary triangulation will remain incomplete, the season having proved unfavorable for field operations far worse than hitherto known in the history of the survey.

The district of Isle Royale embraces numerous harbors and anchorage grounds which have never been used, and many dangers to navigation which have been discovered during the survey. A chart of the district will be prepared exhibiting all the features of the locality, which will be of essential benefit to navigation.

The district extending from the western end of Isle Royale to the extreme western end of the lake presented many difficulties not met with in more favored localities, due to the almost entire isolation, to the absence of harbors, and to a great extent of even boat landings, and to the rough, mountainous country, covered by a dense growth of forest trees. The survey of this district has been completed successfully without an accident.

The survey of the district at the head of St. Mary's River and northward, and including the triangulation of the large bay south and west of White Fish Point has been completed.

The survey of Lake St. Clair was resumed after the surveying parties had been withdrawn from Lake Superior, and considerable progress made.

In addition to the ordinary duties of the lake survey, it became necessary to detach portions of the surveying parties to make minute local examinations and surveys connected with the improvements of harbors and rivers, in some of which the use of the steamers was unavoidable. Among these local surveys the dredged channels at St. Clair Flats and in St. Mary's River, at Lake George, and that of Maumee Bay required the aid of steamer.

Maps of the above surveys were made as well as copies of manuscript maps of previous surveys, and supplied to the officers of engineers requiring their use. The meteorological observations at twelve stations have been continued, and the reductions and computations incident thereto have been made, but the means of the reductions, &c., only have been incorporated in this report.

The distribution of charts has been continued at the offices in Detroit.

and Buffalo. The number issued exceeds that of previous years very largely, with the exception of that of the year preceding.

A detailed chart of the survey of Huron Bay and Huron Islands, Lake Superior, has been reduced and is now in the hands of the engraver.

A series of charts, three in number, covering the entire Lake Superior, are in progress, and await the completion of the primary triangulation.

A preliminary chart of the east end of the lake, similar to that of the middle portion, has been issued to meet the wants of commerce until the finished and more perfect charts of the same region are prepared for engraving and publication.

A general map of the entire chain of lakes, on a scale of one twelve hundred thousandth, has been commenced.

The unusually unfavorable season for the field-work has prevented the completion of the survey of Lake Superior, as was confidently anticipated at the period of submitting the last annual report. The failure in receiving the large theodolites, manufactured in Berlin and imported for the primary triangulations, has also contributed in some measure to delay the completion of the survey of this lake.

The amount of the last appropriation, together with the amount made available of the partial appropriation of 1867 withheld, but reappropriated, aggregating \$150,000, will be exhausted by the close of the fiscal year, June 30, 1870.

The estimated amount required for continuing the survey during the year ending June 30, 1871, is \$159,000. (See Appendix X.)

#### RECONNAISSANCES AND EXPLORATIONS.

Officers of engineers have been on duty at most of the headquarters of the military divisions, departments, and districts, where they are charged with the preparations of detailed maps and sketches required by the commanding general, and with the collection of topographical information requisite in the compilation of the military maps engraved and distributed by the Engineer Department. The following officers have been thus serving, namely: Major Henry M. Robert, at the headquarters military division of the Pacific; Brevet Colonel W. E. Merrill, division of the Missouri; Brevet Major W. J. Twining, department of Dakota; Brevet Major C. W. Howell, department of Missouri, who was succeeded by Brevet Captain C. B. Phillips; Brevet Captain L. C. Overman, fifth military district, who succeeded Lieutenant L. M. Haupt, resigned; Lieutenant M. B. Adams, department of the Platte, who succeeded Lieutenant R. W. Petriken, resigned; Lieutenant George M. Wheeler, department of California. In addition to the above, Captain C. W. Raymond was temporarily assigned to duty in the division of the Pacific for the purpose of an exploration of the Yukon River, Alaska, some eight hundred or nine hundred miles above its mouth.

#### COLORADO OF THE WEST.

The continuation of the exploration of this river above Calville, Utah, has been postponed in view of the enterprise now in progress under the direction of Professor Powell, the results of whose examinations may have an important bearing upon the further survey of the river, if indeed it should be undertaken. The rapid examinations made by Professor Powell in descending the river may show that little or no practical value will result from the attempt to improve the portion of the river hemmed in

within the deep cañons extending from a point somewhat above the junction of the Green and Grande rivers, forming the Colorado River, to a point not far above Calville, on the Colorado.

Below the latter locality it may be important to the mining region in southern Nevada to offer better facilities of communication by way of the river than are now possessed. The results of Lieutenant G. M. Wheeler's exploration, now in progress from the White Pine Mines to the head of navigation on the Colorado, may furnish the necessary information in relation to this subject.

#### FROM SIERRA NEVADA TO THE ROCKY MOUNTAINS.

The geological and topographical exploration of the territory between the Sierra Nevada and the Rocky Mountains, including within its limits the route or routes of the Pacific Railroad under the direction of Mr. Clarence King, has been successfully conducted by him. He reports the results of the exploration subsequent to the close of the last season's operations as follows:

The topography and geology eastward to Salt Lake have been nearly completed; five latitude stations well connected with the system of triangles have been established; three good longitude stations are completed. The topographical and geological work at the close of last season covered a belt one hundred miles wide and over five hundred miles long. The results furnish the proof of a geological unity of structure in the whole zone of ranges west of Salt Lake.

During the winter Mr. King and his assistants were occupied with the reduction of the field work, the examination of ores, &c., and the preparation of the reports. In the spring of this season he resumed operations on the Promontory, Tangent, and Wasatch ranges, and the survey of Salt Lake. The party will move eastward and complete the survey of the hills as far as the Green River divide. The closing labors of the party, Mr. King reports to be especially fruitful in valuable results: first, in relation to the extent of the coal formation; secondly, in the data bearing upon the question of the great Cordillera mountain system; thirdly, in the evidences of immense glacier systems in the Uintah Mountains, and of coincidence with the greater European mountain chains. The collections in natural history are rich and complete.

#### MISCELLANEOUS.

##### MAPS OF TERRITORIES, MILITARY DEPARTMENTS, AND DISTRICTS.

The recompilation of the map of the territory between the Mississippi River and the Pacific Ocean has been completed, and the map has been extensively distributed. The information obtained from surveys and reconnaissances made since the preparation of the present edition of the map will be promptly compiled and reduced for engraving, and a new edition will be issued. The changes will be mostly embraced in Nevada, Utah, and Arizona Territories, although additional information is expected from most of the military departments and districts where surveys of reservations and military routes are in progress under the direction of the officers at the headquarters of these departments and districts. The limited means at the disposal of these officers have restricted them to ordinary reconnaissances of the country, rather than absolute surveys.

A new map, covering the entire territory of the United States between the Atlantic and Pacific Oceans, has been compiled and engraved, designed both for military and geographical purposes. The map, in the

former sense, indicates the military departments, districts, and posts. The want of a map of this character has been felt for a long time, and it is believed that this want will be satisfactorily met by this map.

#### MAPS OF CAMPAIGNS AND BATTLE-FIELDS.

The preparation of the campaign maps has been in progress, and the engraving of portions of them has been completed, and of others is in progress.

Brevet Brigadier General Michler is charged with the preparation of the maps of the campaigns of the armies of the Potomac and James, and Colonel Edward Ruger, late of the volunteers, with those of the western armies. The re-survey of the battle-field of Gettysburg, Pennsylvania, has been commenced, and has progressed satisfactorily. (See Appendix Y.)

#### ESTIMATE OF SURVEYS FOR MILITARY DEFENSES.

There will be required for continuing the surveys relating to permanent sea-coast defenses, explorations, surveys, and reconnaissances in the interior, and the collection of topographical and other information of the country occupied by military forces, for the compilation, engraving, printing, and distribution of maps, including campaign maps, the sum of \$200,000.

#### OFFICE OF THE CHIEF OF ENGINEERS.

In the labors of the office I have been assisted by the following officers in charge of its five divisions:

FIRST DIVISION.—*Fortifications, &c.*, Lieutenant Colonel J. D. Kurtz, brevet colonel United States Army.

SECOND DIVISION.—*Battalion and depots, lands, armaments, personnel, &c.*, Major T. L. Casey, brevet colonel United States Army.

THIRD DIVISION.—*River and harbor improvements, &c.*, Major J. G. Parke, brevet major general United States Army.

FOURTH DIVISION.—*Property, accounts, estimates, funds, &c.*, Major W. P. Craighill, brevet lieutenant colonel United States Army.

FIFTH DIVISION.—*Survey of the lakes, explorations, maps, instruments, &c.*, Lieutenant Colonel I. C. Woodruff, brevet brigadier general United States Army.

ON SPECIAL DUTY.—*Experiments relating to iron shields and counterpoise gun carriages*, Captain W. R. King, brevet major United States Army.

Very respectfully, your obedient servant,

A. A. HUMPHREYS,  
Brig. Gen. and Chief of Engineers,  
Commanding Corps of Engineers.

The ADJUTANT GENERAL of the Army.

## REPORT ON PUBLIC BUILDINGS, GROUNDS, AND WORKS.

OFFICE OF PUBLIC BUILDINGS, GROUNDS, AND WORKS,  
*U. S. Capitol, Washington City, D. C., September 30, 1869.*

GENERAL: The following statement in regard to the different duties which have been assigned me, and the progress which has been made in their execution during the fiscal year ending the 30th of June, is respectfully submitted for your information:

## RIVER CHANNEL IMPROVEMENTS.

The system of improvements proposed for the channels of the Potomac in a special report upon the subject, made after a most careful survey and examination, has not yet received the consideration of the general government.

The corporate authorities of the city of Georgetown have, however, during the past summer caused the bar of the Virginia channel to be dredged to a depth of thirteen feet at mean low tide, and to a width of about eighty feet. Some thirty-three thousand cubic yards of mud were removed, at a cost of less than ten thousand dollars.

In my last annual report attention was called to the great importance and necessity of taking immediate action in executing some plan of permanent improvement. As no appropriation has been made for the work, no steps have been taken toward prosecuting it during the present working season. Estimates are submitted for constructing the different sections, the sum total being required for its completion; the entire amount can be profitably expended during the present fiscal year.

## BRIDGES.

*Benning's Bridge.*—This structure crosses the Anacostia or Eastern Branch, and is also known as the Upper Bridge. The flooring in particular, owing to the very great amount of travel passing over it, is very much worn along its entire length, and should be replaced by a new one.

*Navy Yard Bridge.*—A number of the beams are decayed, and the side-rails are old and unsafe. The draw, although not much used, is so constructed as to make travel over it at least very disagreeable, if not dangerous. It should be altered so as to conform to the level of the roadway of the bridge. The whole superstructure needs a thorough overhauling.

In reply to a resolution of the Senate of the United States, passed June 20, 1868, which directed me "to make a survey of the lower bridge, known as the Navy Yard Bridge, across the Anacostia, and report a plan for a permanent structure across the same, at or near the present site, capable of sustaining a railway track and cars, with a footway on each side of the carriage track, with an estimate of the cost of the same," a report and plans were prepared and submitted which furnished the required information.

The importance of a permanent and substantial bridge at or near the point indicated has been sufficiently well established; it is to be hoped that the necessary action will be taken to accomplish an object which is so much desired, and which will tend so much toward advancing the interests of the capital. Your attention is respectfully called to a consideration of the plans and the report accompanying them.

*Potomac or Long Bridge.*—The remarks made in my la

report in regard to this bridge remain still in force, and prove the necessity of erecting a more substantial, suitable, and architectural structure. It is to be regretted that the river approaches to the city should present such unseemly appearances. As already stated, the Long Bridge has been for so many years the means of intercourse between the city and the opposite shore, that it would be very difficult to divert attention from the old well-beaten track. Such being the case, it is very desirable to replace the present one by another which would prove not only more ornamental and useful, but also be so planned as to remove some very serious obstructions created by the existing one, and which have a tendency to permanently injure the channels of the river. The present bridge constantly needs repairs; it is so old, and its timbers so badly decayed, that unremitting attention is required to insure safety to travelers. The old north draw has been replaced by an entirely new and lighter one, and by one which can be worked with great ease; the other, near the south end of the structure, is heavy, badly constructed, expensive to keep in order, and difficult to move; at times it is a great annoyance to those compelled to pass over it by the detentions experienced when undergoing frequently needed repairs. It is now held together more by extra bracing, straining rods, and other appliances, than by the timbers employed in the original plan of construction; a new one of more modern design is greatly needed.

The cribs that support the long spans, near the Virginia shore, should all be rebraced and replanked. An entirely new floor will have to be laid during the next year. It is recommended that some necessary statutes be enacted to prevent the frequent occurrence of accidents to the draws by vessels running against the bridge while passing through them; these, in many cases, arise from carelessness in steering, and in others from too many vessels being towed through the channel at the same time. The damage to the channels of the river by this bridge have already been expatiated upon in several previous reports, and should receive serious attention. The railroad bridge, running parallel to and south of it, is also a serious cause of injury. Several plans for new and more architectural bridges have been prepared by order of Congress, but no subsequent action has been taken toward constructing them.

*Aqueduct Bridge.*—This bridge, leased by the Alexandria Canal Company, has been opened, in addition to canal purposes, for ordinary travel since the date of my last report. By the act relating to the Alexandria Canal, approved July 27, 1868, it was enacted, "that as soon as the Chief Engineer of the Army shall certify to the Secretary of War that the said bridge is completed, the company may demand and receive certain specified tolls." In compliance with this law, directions were given me to inspect and report upon its completion, which was accordingly done, and the bridge thrown open to travel.

*Chain Bridge.*—This bridge over the Potomac, known also as the Little Falls Bridge, and situated about three miles above Georgetown, has been greatly improved during the last fiscal year. It had previously been in a very dilapidated and unsafe condition, the immense amount of army transportation passing over it during the continuance of the war having rendered it almost impassable. Very slight, if any, repairs had been attempted for several years. The two spans at the southern termination of the bridge had to be entirely rebuilt, and each of the others, eight in number, had to be repaired to a greater or less extent. The larger portion of the flooring had also to be renewed. A large amount of work remains still to be done to make the structure as it



should be; many sections of the upper and lower chords should be replaced, as the timber is fast decaying away, and many slighter repairs should be attended to as soon as possible. It was found necessary for several weeks to close the Chain Bridge against all travel. The great inconvenience, as set forth in several petitions, to which farmers and others were placed by being compelled to cross the Aqueduct Bridge during that time, and the many complaints that were made by the citizens of Georgetown at the increased cost of marketing and other household wants in consequence of the demand for tolls over it, would seem to argue the very great necessity of preserving the former structure in perfect repair for their accommodation. Estimates are herewith submitted upon which to base the appropriations required to execute the different repairs of the several bridges enumerated; the necessity is fully exhibited by the accompanying table, which furnishes the average amount of travel passing over them, per day and year, to and from the District of Columbia:

Travel.	Potomac (Long) Bridge.	Lower (Navy Yard) Bridge.	Little Falls (Chain) Bridge.	Upper (Ben- ning's) Bridge.	Totals.
Foot passengers, one day....	883	1,087	223	121	2,194
Foot passengers, one year....	300,395	374,855	81,395	44,165	800,810
Horses and riders, one day....	77	31	143	28	279
Horses and riders, one year....	28,105	11,315	52,195	10,290	101,835
Horses and wagons, one day....	277	278	160	59	774
Horses and wagons, one year....	101,105	101,470	58,400	21,535	282,510
Teams and wagons, one day....	192	231	185	80	688
Teams and wagons, one year....	70,080	84,315	67,525	29,200	251,110
Cattle, one day.....	11	17	70	2	100
Cattle, one year.....	4,015	6,205	25,550	730	36,500
Hogs, one day.....	6	4	30	1	31
Hogs, one year.....	2,190	1,460	7,300	365	11,315
Sheep, one day.....	4	12	135	.....	151
Sheep, one year.....	1,460	4,380	49,275	.....	55,115

#### PUBLIC SQUARES, RESERVATIONS, NATIONAL PARK.

In making suggestions respecting the preservation and improvement of the different public squares and reservations throughout the city, and in again calling attention to the establishment of a national park among its environs, it would scarcely seem necessary to do more than refer to those already made in my last two annual reports. The subjects have been thoroughly discussed, and no additional recommendations can be made. Their important relation to the hygiene of the capital, the improved appearance offered to the streets and avenues, and the greatly enhanced value to property, not to dwell upon the means thereby furnished by the cultivation of a taste for the beautiful, are strong and sufficient arguments to continue the bestowal upon them of the care and expense required for their adornment. Owing to the very limited appropriations for the purpose, but little more has been done during the fiscal year than to endeavor to keep them in passable order. Lincoln Square has undergone greater improvement during the year than any other. It has been filled up and graded, and several hundred choice trees selected and planted. As soon as the necessary means are furnished it will be laid out in beds and walks, according to the design prepared for their arrangement. It is recommended that a suitable monument be erected within the inclosure.

The Capitol grounds have changed but very little. A considerable number of ordinary trees have been cut down to prevent the crowding and consequent injury of more valuable and beautiful species.

to the smallness of the appropriation the extension of these grounds progresses but slowly.

The culvert through the Botanical Garden has been completed, and is found fully capable of carrying off the immense quantity of water which is at times brought down by Tiber Creek. A new walk is being paved with the Seneca stone, and when completed will present a beautiful appearance in connection with the new conservatory now being constructed. The intermediate reservations between the Botanical Garden and the Smithsonian grounds have remained very much in the same condition as when last reported upon.

The Smithsonian grounds require a great deal of attention, and many additional improvements are needed to make the arrangements complete and in accordance with the original design. It is to be hoped that no further cause of delay may arise from the want of funds, and that the work may progress rapidly towards completion.

The grounds attached to the Agricultural Department are undergoing rapid alterations, and are being handsomely arranged with walks and drives in connection with ornamental plats for shrubs, plants, and trees.

The monument reservation still remains unchanged in its appearance. It is susceptible of being transformed into a place of very great adornment, particularly as it is located in such close proximity to the banks of the Potomac. The proposed plan for the laying out of the grounds immediately south of the White House, which includes the opening of a new avenue that will connect the streets passing by the Treasury building and the War and Navy Departments, is being executed to the very utmost limit that the appropriation for the work will admit. It is very much to be regretted that an improvement which adds so much beauty to the surroundings of the building occupied by the chief executive officer of the nation, and one which will prove of so great convenience, can only be partially completed for the present. The consideration of the various plans submitted in my last reports for the embellishment and adornment of the different reservations known as the "Mall," with a view of uniting them in one grand drive extending from the Executive Mansion to the Capitol, is again respectfully asked.

The several squares—Lafayette, Franklin, Judiciary, and Scott—have been kept in as good state of preservation as the very limited means would permit. A new circle has been inclosed at the intersection of Massachusetts, Connecticut, and New Hampshire avenues. An additional square, corresponding with Scott square, has also been laid out near the junction of Connecticut avenue and K street. Several triangular reservations, at the crossings of Pennsylvania avenue by some of the lateral streets, were inclosed as soon as the government had ceased to occupy them with buildings for office purposes. Many of these have already been planted with trees, while others still remain unimproved.

The great drought of the past summer has not only killed many of the trees and plants, but has interfered very materially with any other embellishment of the different grounds. The necessity for furnishing the latter with a sufficient supply of water by means of fountains, in order to preserve the vegetation, became very painfully apparent. It is earnestly urged that the attention of Congress be again called to the subject of a grand national park for the capital. Every important city in the country has acknowledged the necessity and wisdom of encouraging public places of resort for the purposes of pleasure and recreation; and individuals have lavished fortunes in the embellishment of

private domains which are scarcely to be excelled by those endowed by the most munificent municipalities.

#### AVENUES AND STREETS.

To avoid repetition, reference must be again made to my last annual reports. As no appropriations were made by Congress for even the repair of avenues, to be expended during the last fiscal year, or for use during the present one, it is apparent that but little can be written upon the amount of work accomplished. The several recommendations in regard to their improvement and adornment that have been already offered are again presented for consideration. Sufficient provision should at least be made to pay the proportional part of the expense of any improvements which have actually been, or are proposed to be, made by the city authorities, and which pass by or through any of the public buildings and grounds. From the very nature of the contract between the controlling powers, entered into at the time the capital was located on the banks of the Potomac, the government is bound to take some action. There are several very important suggestions in reference to them which should receive early attention. It is to be regretted that so many opposing interests interfere and prevent any well digested plan of operations. The repairing of that main thoroughfare through the capital, known as Pennsylvania avenue, has become an absolute necessity. For two entire fiscal years, the last and the one preceding, Congress has neglected to appropriate any money for attending to the many and much needed repairs along it, or for the purpose of simply keeping it in a cleanly and healthy condition. Two men, with a horse and cart, is the entire force engaged in removing the filth which accumulates over a distance of nearly three miles. A resolution passed the Senate of the United States, but which failed to be acted upon in the House of Representatives, appointing a special commission to decide upon the relative merits of the several plans for different pavements, and to select and lay one upon the avenue. The bill was very carefully drawn and considered and should meet with general approval.

A special committee was also appointed to consider a change in the grades of the streets adjoining the Treasury Department; a report is being prepared upon the subject. Immediate attention should also be given to the regrading of the several streets encompassing the Patent Office building and the Post Office Department. There are still several very important avenues to be opened and graded; in their present condition many of them very seriously interfere with the improvements already made upon the streets. Those in particular which radiate from the Capitol building should receive prompt legislation. All the approaches to this magnificent structure should be placed in the most complete order; several of those leading from a northerly direction are quite impassable at the present time. The removal of the depot of the Baltimore and Ohio railroad from its present site will no doubt be again agitated. As two or three additional roads are in course of construction, or being favorably considered, the different companies may find it to their interest to unite upon some one central position for a depot to accommodate the travel and business of all of them.

It is particularly gratifying that the preliminary steps have been taken by the respective corporate authorities of Washington and Georgetown to unite the two cities by connecting West and P streets by a bridge over Rock Creek. This is a much needed structure, and

will be one of great convenience to the public. Estimates are submitted for opening several of the avenues.

#### WASHINGTON CANAL—TIBER CREEK.

Much has been said and a great deal written on the subject of this great nuisance. It is gratifying to know that the municipal authorities have appointed a select committee to report some plan for its abatement, and it is to be hoped that early action will be taken in the matter. As the canal lies adjacent to, or passes through, a large portion of the public grounds, it is but right and proper that Congress should aid by munificent appropriations any beneficial improvements that may be determined upon by those competent and authorized to act. It is not only a question to be decided in a commercial point of view, but also in its sanitary relations to the city. Many committees have been selected to report upon the subject, and many individual views have been expressed; the opinion seems to be unanimous that the canal should not be longer used as an open sewer, and that in its present condition it is a great cause for creating and propagating diseases. In a report submitted several months ago by a board of engineers, detailed "to examine the model of an improved canal and ship-lock lock," and to consider "the value of the invention in facilitating commercial affairs of the country, and more especially its adaptation to aiding in the construction of a ship-canal through the city of Washington," the following remarks appear:

"The history, object, and condition of the Washington Canal have contributed a very considerable portion to the literature of the city for many years, and the various reports on the work in question, and projects for its improvement, would form a volume of matter of such magnitude as to render a revision of the whole subject too elaborate to be attempted here, especially as one does not appear to be necessary in this connection. The canal has been used since its construction for two purposes: the one for navigation, and the other as a main, open sewer; it has been the receptacle of the sewerage of the larger portion of the city, as well as of the surface drainage and the débris washed down through the bed of Tiber Creek. In consequence, it has been gradually filling up with a mass of most deleterious matter, and to such an extent as to render it not only entirely useless for the greater part of its length for the passage of boats, but to cause it to become a public nuisance. Attempts have been made during the last two or three years to partially abate the latter by removing a portion of the deposit by dredging, and by flooding the remainder by means of tide-gates; but after repeated efforts these means proved to be, as they were intended, only temporary expedients, and cannot be considered as having produced any very beneficial results.

"The various projects for the permanent improvement of the canal may be divided into three classes: the one proposes to continue the use of it, both for its legitimate purpose and as a sewer combined—in other words, to let it remain in its present status; the other, to employ it entirely for the transportation of boats, and to build a covered sewer parallel to it; while the third plan suggested is, to fill it up, excepting so much as may be necessary for a proper sewer, and discontinuing its use as a canal altogether.

"Mr. Bishop's (the patentee) project belongs to the first of these classes. In general terms he proposes to extend the canal up the river to Georgetown; to cut off the present sharp bends at different points;

to place locks at its junction with the Potomac and the Eastern Branch; and to replace the present permanent bridges across it by turning or draw bridges, in order to allow vessels of all descriptions to pass. In addition, as part of this plan, the Georgetown or Virginia channel of the Potomac is to be closed, and thus divert the tide of commerce from its present channel and direct it through the new one. He also contemplates to clear the canal and keep it free from objectionable matter by opening the gates and completely flooding it at certain stages of water in the river. Without entering into the details of this project it may be stated the requirements of a navigable canal and a suitable sewer are incompatible, and that, in general, whatever tends to improve the one, necessarily injures the other. For example, a good sewer should have a declivity of at least one foot in one thousand, while the canal should be as nearly level as possible; the sewer should be no larger than is requisite to carry off all the semi-fluid mass or water that can find its way into it from its lateral branches or from surface drainage, while the larger the section of the canal, within reasonable limits, the better; the sewer requires to be covered, while the canal remains open. The board cannot, therefore, recommend any project in which it is contemplated to use the same channel for the two purposes, however feasible the details of such an undertaking may be. It is a well known fact that along the wharves of all large cities there is a constant deposit from the contents of the sewers, which necessitates either almost continuous dredging, or the extension of the piers beyond its influence. There is no doubt that any canal, receiving the constantly accumulated matter from a great portion of the sewerage of a large city, must be filled sooner or later, unless there is a very strong and constant current through its entire length. In this case there is no possibility of producing such a current without extending the canal up to some point at or near the Chain or Little Falls Bridge, some three miles above Georgetown; even then the velocity of the water at the sides and bottom of a long narrow channel is so much retarded by friction, that, while there might be a sufficient strength to the current at the middle of the canal, a deposit would probably form on the sides and bottom. This would take place even in a constant current when the floating material is kept in motion and scarcely allowed to settle and become compact; how much more, then, would it obtain when locks were introduced, and the force of the water allowed to exert its influence only at intervals. That part of Mr. Bishop's project which contemplates the substitution of turning or draw bridges for the present permanent ones over the canal cannot reasonably be entertained. The canal now separates the main portion of the city from that section fronting on the Potomac, along which, at the present time, the larger number of wharves have been constructed for commercial purposes. To interfere or interrupt the constant travel and hauling of heavy freight on the streets leading from them would prove a very great injury to trade and the improvements now projected in their vicinity. Even should benefit arise to one part of the city by enlarging the dimensions of the canal so as to enable sea-going vessels to enter, it would scarcely compensate for the expense of the undertaking, and the damage that would be sustained by another and a very rapidly improving portion. Should the money necessary to execute such a work be applied to dredging and opening the old Washington channel along the whole water front of the city, it would prove a more profitable and beneficial expenditure. A long and continuous line of wharve from the arsenal point to the foot of the Little Falls, could be The closing, as intimated in the method of improvement &

an old and well established channel like the Georgetown or Virginia one, for the purpose of opening another and a more circuitous one through the heart of a large city, would scarcely meet with very favorable consideration in any point of view. The only practicable and intelligent plan of operations is to accomplish by mechanical means what nature originally designed should be the case, the reopening of the old channels as they existed before any encroachments were made upon them, or any obstructions allowed to be interposed to their detriment. In closing this part of the report, the board cannot look upon the facts just stated as being in any way discouraging to those interested in the improvement of the Washington Canal. If it cannot be made to serve two purposes, there is no reason why it should not be made useful in accomplishing one good result; one object well accomplished will certainly prove more profitable than two imperfectly executed. It is susceptible of a mathematical demonstration, that should either the second or third of the general plans referred to for the improvement of the Washington Canal be adopted—in other words, should the canal be properly cleaned out, narrowed, straightened as much as possible, and a good sewer built parallel with it, the arch over the lower portion of Tiber Creek being also extended as high up as the boundary of the city limits; or should the canal be discontinued as such, and a portion of its width converted into a proper sewer, and in connection with this should the main channel of the Potomac be diverted toward and along the Washington shore, the value of the land reclaimed and the rise in the price of property effected by the change would more than pay the cost of the whole undertaking, to say nothing of the vast improvement that would accrue to the city by benefiting its sanitary condition.

“Several additional bridges of iron should be constructed over the canal at different points. There should be one in the prolongation of Sixth street; another should be substituted for the temporary wooden one in front of the Agricultural Department; and the third to connect the grounds south of the President’s House with those around the Washington Monument. They should be made highly ornamental, of the same width as the streets, and upon the same level.”

#### PUBLIC BUILDINGS.

The several public buildings still remain under the immediate charge of the different architects, or of some of the officials attached to the various departments. The Capitol has been completed, unless it shall be determined at some future time to enlarge the central part of the building; the Treasury building has also been finished.

A board of officers has also prepared plans and estimates for a new War Department building, but no action has yet been taken toward erecting it. The commission authorized to select a site and propose plans for a new State Department have had the subject under consideration, and will report at the next session of Congress.

*The White House*, with the several buildings and the grounds attached to it, has been undergoing some very important and necessary renovations; many more demand attention as soon as the liberality of Congress will furnish the means. The appropriations for the present fiscal year, which are to be applied to the care and refurnishing of the building, are entirely inadequate for the purpose. It is a very old structure; upon a very minute and careful inspection of all its parts, it was found to be sadly out of repair, and even destitute to a great extent of many of the conveniences which are now considered absolutely

necessary for the comfort and health of individuals. Immediately after the inauguration of General Grant as President, the improvements were commenced and pushed forward as rapidly as possible. Several of the rooms have been repapered and painted, and others have been replastered and painted in colors. The library has been paneled and its ceiling frescoed. The walls and wood-work of the upper hall have been repainted, and a substantial and ornamental stairway leading to it substituted for the old one. The spacious hall, into which the entrance from the north portico opens, has also been painted and its ceiling frescoed. The furnaces have been overhauled, and new ranges introduced into the kitchens. A handsome and convenient billiard-room has been attached to the house. The conservatory has been placed in excellent order, and well filled with suitable plants; an additional section has been made to it during the summer to be used as a grapery, a large number of the choicest vines having been already introduced into it. Several beneficial changes have also been made in the garden. The stable has been enlarged and otherwise improved. The drainage and sewerage through the grounds will need attention during the coming year. The entire exterior of the building should be repointed and painted. Many other much needed renovations could be suggested. The refurnishing of the mansion is being gradually effected. It is to be hoped that most liberal appropriations will be made by Congress to preserve and supply the building with all needful appendages, and render it in all its appointments a fit residence for the Chief Magistrate of the nation. Attention is again respectfully called to my report upon the selection of a site for a new presidential mansion.

#### WASHINGTON AQUEDUCT.

The earnest attention of the Chief of Engineers is again called to the condition of this great and important work. Its thorough completion is imperatively demanded, and the necessary appropriations should not longer be withheld. There is no public improvement throughout the District of Columbia which conduces so much toward the health and wants of the permanent residents of the capital, as well as the comfort of the many thousand transient visitors and government officials who seek it for pleasure or business, as the Washington Aqueduct. It is the only safeguard against the destruction of not only private possessions, but also of the immense amount of public property accumulated within the limits of a few square miles. There is a wealth of important archives stored away within its boundaries that can never be replaced should they once be destroyed. In a sanitary point of view, as well as in an ornamental and mechanical consideration of the subject, the means for supplying a material so much enjoyed and so much needed should be furnished without hesitation and without stint. The annual report of the engineer of the Washington Aqueduct is herewith appended. It furnishes in great detail a statement of the many repairs which have received attention during the year, and of the renovation of a few portions of the work which have hitherto been left in an unfinished or damaged state. He also dwells upon the pressing necessity of finishing other very important sections. Many very valuable suggestions are offered, and much useful information furnished. Reference is respectfully made to his report for a condensed account of the present condition of the aqueduct, and also of a summary of the total cost up to the present time with an estimate of the necessary amount to be applied toward completion. As so many complaints are made by many citizens

the scarcity of water, and as such an utter wastefulness is indulged in by others, the adoption of some system, by which a more equal distribution can be arranged to the greater advantage of all seems to be imperative. Meters should be introduced into every house, as that plan appears to work well wherever applied.

It is again earnestly recommended to replace the old fire-plugs on Pennsylvania avenue by new ones, and that they be connected directly with the government main along it.

The payment of the rents, and the purchase of the several small tracts of land which have been taken from private individuals for the use of the government, and which must be retained for the purposes of the aqueduct, is most earnestly urged. Several of them belong to widows, who are by no means in affluent circumstances. In some instances they have been compelled by the corporate authorities to pay the necessary taxes for the improvement of their property by the opening and repaving of streets, when, at the same time, they have been entirely dispossessed of its use for several years back. But a few thousand dollars are needed to satisfy all such claims. As stated in my last report, "the great importance of introducing into the capital an unlimited supply of pure and wholesome water cannot be overestimated. The water thus furnished has become a great motive power at the different government workshops and buildings throughout the city; and when the capital of the nation becomes what every enlightened citizen desires to see it, a still larger demand will be made for both useful and ornamental purposes."

Including the estimates submitted for completing the Washington Aqueduct, the total cost of the work will not exceed four millions of dollars.

The estimates of amounts required to be appropriated for the public buildings, grounds, and works, under my charge, for the fiscal year ending the 30th of June, 1871, are herewith appended.

I am, general, very respectfully, your obedient servant,

N. MICHLER,

*Major of Engineers, Bvt. Brig. Gen. U. S. A.*

Brevet Major General A. A. HUMPHREYS,

*Chief of Engineers, Washington, D. C.*



# REPORT

OF

## THE SECRETARY OF THE NAVY.

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NAVY DEPARTMENT,  
*December 1, 1869.*

SIR: I respectfully submit the following report of the Navy Department, and the branch of the public service under its supervision, during the last year.

The head of this department has been twice changed since the sending in of the last annual report, and the report for this year must therefore include the operations carried on during that time, as well under the superintendence of Mr. Welles, (the former Secretary of the Navy,) as under that of my immediate predecessor, Mr. Borie, and myself.

Of the period extending from the date of the last annual report to the coming in of the present administration, the detailed reports of the several bureaus are naturally incomplete, and I am, of course, without authoritative information of the ideas which at that time governed the operations of the department. It becomes me, therefore, to speak of it only in general terms, and, showing simply the condition of the navy at the commencement of this administration, state only results as the surest test of principles and practice.

### NAVAL FORCE IN MARCH, 1869.

When my immediate predecessor came into office, on the 9th day of March last, the navy of the United States consisted of two hundred and three (203) vessels of all classes, and in every condition.

These measured one hundred and eighty-three thousand four hundred and forty-two (183,442) tons, and were calculated to carry, when in commission, thirteen hundred and sixty-six (1,366) guns, exclusive of howitzers.

Of these ships one hundred and fifty-one (151) were wooden, and fifty-two (52) were iron-clad or monitors.

Of the wooden ships thirty-two (32) were sailing vessels; fifty-three (53) were steamers, with some auxiliary sail-power; forty-four (44) were steamers, without any efficient sail-power; and twenty-two (22) were without sail-power of any kind.

The iron-clads are all steamers, relying wholly on steam under all circumstances.

Of all these classes only forty-three (43) vessels, including store-ships, mounting three hundred and fifty-six (356) guns of every caliber

attached to fleets or returning therefrom. Six (6) more, mounting thirty-six (36) guns, were in commission for special service; and six (6) others at the various stations as receiving-ships. These, together with fourteen (14) tugs and small vessels, attached to the various navy yards and stations, constituted the whole force of the navy at that time effective for immediate service.

It has since been found necessary to offer for sale, on foreign stations, three (3) of these vessels, which were condemned as unfit for service and unsafe to send home; and twenty-five (25) more of them have been ordered home to the various navy yards for repair and alteration, or sale. But one ship, the *Juniata*, at Philadelphia, was under repair at the time of the coming in of the present administration.

The remainder of the navy not in commission consisted of—

First. Forty-six (46) iron-clads and monitors of every class, laid up at various stations, none of which could be got ready for service without thorough overhauling and expensive repairs to hulls, turrets, and machinery, thirty-two (32) of which had been condemned and ordered to be sold, as not adapted to our service; twenty-six (26) of them never having been in commission.

Second. Twenty-two (22) vessels of every class yet on the stocks, and on which work had been suspended.

Third. Sixty-six (66) vessels laid up in ordinary, or unfit for active service in the future.

#### CRUISING STATIONS AND DUTIES, AND FORCE OF EACH, IN MARCH, 1869.

For the better distribution of our force the field of our naval operations is divided into five cruising stations, known respectively as the North and South Atlantic, the Pacific, the European, and the Asiatic.

The extent and limits of these stations are carefully defined, and may be readily traced; and to each are assigned such proportions of the available force as the extent and circumstances of each may from time to time require.

THE NORTH ATLANTIC STATION embraces the entire eastern coast of North America, and that of South America as far as Cape Orange, near the mouth of the Amazon, extending eastward to the forty-third degree of longitude west from Greenwich. To the squadron on this station is committed the protection of all our outward-bound and returning Atlantic commerce, when west of the forty-third degree of west longitude; our coasting trade on the Atlantic and the Gulf, and that which we carry on with the West Indies, Mexico, the northern countries of South America and the Isthmus.

It consisted on the 9th of March last of six (6) vessels, mounting in all twenty-eight (28) guns, the whole under the command of Rear-Admiral Hoff.

THE SOUTH ATLANTIC STATION embraces the east coast of South America from Cape Orange to Cape Horn, extending across from the

former point to St. Paul de Loando, and along the southwest coast of Africa to the Cape of Good Hope. The squadron in charge of our important interests in these waters was, at the date last mentioned, under the command of Rear-Admiral Davis, and consisted of six (6) vessels, mounting in all fifty-six (56) guns.

THE PACIFIC STATION is one of great extent and importance, embracing the entire western coast of both North and South America, extending westward to the one hundred and seventieth degree of west longitude, and thence along the equator south of it to the one hundred and fifteenth degree east, taking in New Zealand, Australia, and New Guinea, together with the Feejee and other groups of the South Pacific Ocean. The naval force on this station is looked to for any needed protection to the interests of the government and our people in all the waters of the Pacific; to our trade along the great isthmus, and the whole coast of South America; our whaling and fishing fleets in the North Pacific; our growing commerce with the Sandwich Islands, China, and Japan; our newly acquired interests in Alaska and the adjacent islands; and to our traders, representatives, and missionaries, scattered among the barbarous or half civilized tribes which people the Pacific groups.

On the date last mentioned, this station was divided into two squadrons, denominated the North Pacific, and the South Pacific squadrons, commanded respectively by Rear-Admiral Craven and Rear-Admiral Turner—the North Pacific squadron consisting of eight (8) vessels, mounting, in all, seventy-eight (78) guns; and the South Pacific squadron, consisting of six (6) vessels, mounting, in all, forty-nine (49) guns. Since the coming in of the present administration, for the purpose of readier communication, and to give to the small force in this extended field greater efficiency, and facility for combined action, these two stations have been consolidated into one; with a single fleet of two divisions, each under the immediate command of a commodore, with the whole under the general command of a rear-admiral.

THE EUROPEAN STATION embraces the Atlantic, with its connecting waters, north of the equator and as far west as the forty-third degree west from Greenwich, and includes the whole west coast of Europe; the Mediterranean and its communicating seas, and the coast of Africa as far as St. Paul de Loando. The squadron commanded by Rear-Admiral Radford, and consisting, at the date aforesaid, of seven (7) vessels, mounting, in all, eighty-five (85) guns, represented the naval power of our country on the coasts and in the ports of all the great nations of Western and Southern Europe, as well as those of Northern Africa.

THE ASIATIC STATION embraces the eastern coast of Asia around to Hindostan, and thence to the Cape of Good Hope; taking in Java, Sumatra, Borneo, the Philippine Islands, Japan, and the waters of Western and Southern Asia, and Western Africa. Our growing trade in the East, and the influence of our government for the spread of commerce and civilization among the people of Eastern and Southern A

were protected in these waters by a squadron made up, on the date last mentioned, of ten (10) vessels, mounting sixty (60) guns, under command of Rear-Admiral Rowan.

#### INADEQUACY OF FORCE.

It will be seen at a glance that these cruising stations comprise within their limits most of the ports and sea-coasts of the known world; and that, in thus establishing them, our government has attempted to extend its influence and protection over every field into which, allured by trade or science, or inspired by religion, an American citizen has been able to penetrate.

This, in time of peace, is an appropriate duty of our navy, and its benefits will be in proportion to the liberal spirit of the government, and the tone of the service to which its illustration is committed.

But it is also apparent that the means employed were utterly inadequate to the ends to be attained, and that our small fleet on these stations, consisting of forty-three (43) vessels, mounting three hundred and fifty-six (356) guns, with a tonnage of forty thousand and fifty-two (40,052) tons, was too small in number, and too weak in character, force, and condition to perform the service required by the ideas of the government and the expectations of our people. Cruising on the same seas and with duties not more various and extended, France has over one hundred and fifty (150) ships in commission, of a tonnage of 250,000 tons; while England has, crowded into the same area, no less than one hundred and ninety-one (191) ships, with a tonnage of 328,000 tons, with her flying squadron ready to reinforce her power whenever occasion may require.

The fleets of other nations rival, and some surpass ours in their number, size, and character; and in fact, our position on the seas was maintained only by the spirited and untiring energy of our officers, and a pervading belief in the latent resources of our country and the energies of our people.

#### CONDITION AND EFFICIENCY OF SHIPS ON STATIONS.

Of the forty-three (43) vessels which composed these several fleets not more than eighteen (18) were in condition for real service; some have been condemned as unseaworthy, and almost all required considerable repairs to bring them to their most efficient state.

The efficiency of this small force, moreover, was much lessened by the fact that most of them were steamers, without adequate sail power. The practical disadvantages of relying wholly or even largely on these for cruising vessels will be easily seen; their complicated machinery, worn by constant use, is exposed to derangement on foreign seas; they are more easily disabled in battle or storm; and, what is even more important, they afford no school of seamanship to officers or men. Lounging *through* the watches of a steamer, or acting as firemen and coal-heavers

will not produce in a seaman that combination of boldness, strength, and skill which characterized the American sailor of the elder day ; and the habitual exercise, by an officer, of a command, the execution of which is not under his own eye, is a poor substitute for the school of observation, promptness, and command, found only on the deck of a sailing vessel. Besides, few war steamers carry coal for more than ten days use, and as a large portion of even this time must be consumed in seeking a new supply ; the disadvantages as well as the great expense of cruising under these circumstances are apparent, particularly on foreign stations, where our depots are necessarily few and the cost of fuel enormous.

#### MONITOR FLEET.

Our effective force was still further reduced by the fact that our monitors and iron-clads, laid up since the war, had received in the meantime little care. They were found, when the attention of the department was directed to them, in a state of rapid deterioration. Hulls, turrets, and machinery, the most costly and powerful, exposed without care to the action of the elements, were fast losing their value ; and of the whole fleet of monitors, relied upon by the country for defense, not one could have been ready in time to resist a sudden attack.

A board for the "inspection of steam machinery," of which Rear-Admiral Goldsborough was president, was constituted by Mr. Borie, and from their report, hereto attached, it will be seen that many other of our vessels are entirely unsuited for naval purposes.

These statements, I may be permitted to say without imputing blame to any one, exhibit our navy at a low ebb ; a condition, the cause of which may doubtless be found, in the vast expenditure of material during the great war ; in the exhaustion which followed it ; and in a sense of the burdens it had imposed, affecting alike the department, Congress, and the people.

#### WHAT HAS SINCE BEEN DONE.

With such material in this condition the department, at the commencement of the administration, found itself charged with the duty of maintaining the naval power of the government in every part of the world ; required to protect, on every sea, the interests of the dominant and responsible nation of the Western Continent, whose boundaries stretch to the shores of either ocean, whose people aspire to rival those of the whole world in every field of enterprise, and whose government is pledged to the interests of freedom, civilization, and progress ; and at the same time to be prepared with reserved power and the means of applying it, available in every emergency for defense and aggression.

To restore our small force to an effective condition, and to make it available in the best manner in its large and growing field of operations, in the shortest possible time, with the material at hand, and with

addition to the national expenses, was the first duty which, presented itself; and to its accomplishment all the energies of the department have been bent.

In view of the importance of the work, pressing upon it with such urgency, and involving so many conditions of professional knowledge, the Secretary endeavored to avail himself of the best professional ability at his command in every bureau and department of the service. Thus assisted, the department undertook the task of reorganizing the material of the navy, as far as was consistent with existing laws and the state of the naval appropriations; and I think it will be seen that the results will fulfill all reasonable expectations, and fully justify the wisdom of its policy.

It will appear from the foregoing statements, that while there were no ships at the yards at home ready for sea, or which could be made effective without considerable expenditure of both money and time, a large proportion of those on foreign stations needed extensive repair and alteration.

To meet these difficulties, work was renewed vigorously at all the navy yards, and as fast as possible our ships in ordinary were put in condition for service.

Those in commission have undergone the same process as fast as they could be spared from their stations.

More than one-half of the whole Pacific fleet have been or are being repaired at Mare Island. Nearly all the vessels of the North Atlantic fleet have been sent home from time to time for the same purpose.

The *Guerriere* and the *Kansas* from the South Atlantic, and the *Ticonderoga* and *Canandaigua* from the European Squadron, are also now in hand. The work has also been renewed and actively pushed on all the available ships at the various yards. By this means we have been able already to reinforce our various squadrons to some extent. The *Severn*, the *Seminole*, the *Saugus*, the *Nantasket*, and the *Dictator*, have been added to the North Atlantic Squadron, which has also been strengthened by the *Powhatan* and the *Tuscarora*, sent from the Pacific fleet as the only available means for that purpose then at the command of the department.

The *Lancaster*, completely fitted out, has been sent to the South Atlantic, relieving the *Guerriere*, ordered home for repairs, and the *Juniata*, the *Sabine*, and the *Supply*, have sailed in like condition to reinforce the European Squadron.

To secure the greatest amount of efficiency, with greater economy at the same time, all the steamers susceptible of it, which have been repaired or fitted out, have been given full sail power and re-rigged, so that without interfering with their speed or effectiveness under steam, they are now entirely independent of it, and are able to cruise wherever required, or, if need be, to go round the world without deterioration of *boilers or machinery*, and without consuming their coal, which is thus

reserved for times of necessity or danger. The ship-rig considered the most efficient for cruisers has been already given to forty vessels of this class, which have been or are now being altered.

The success of those which have been completed, including among their number, as marked instances, the *Severn*, *Juniata*, *Mohican*, *Nantasket*, *Resaca*, *Lancaster*, and *Swatara*, has illustrated the wisdom of the plan. The capacity of these vessels for every service is proved by trial to have been greatly improved, without loss of speed or efficiency when under steam; and the department is convinced that, by this system, combined with a judicious and practical selection of simpler and more effective engines, boilers, and propellers, the efficiency of our force will be doubled, and at the same time much money saved. Many of our foreign coal stations have already been discontinued, and orders have been issued to the commandants of the squadrons, directing them not to permit the consumption of coal for any purpose which could be as well performed under sail, and requiring a report to the department of any deviation from the general rule, with the reasons for it in each instance.

The result has already been a large saving. Several of our most effective cruisers have consumed no coal since the receipt of the order. It can be shown by figures, that this system of giving and requiring the general use of full sail power, beside its effect to make sailors of both officers and men, will, on the vessels intended to be kept in commission, (calculating that they cruise but two-thirds of the time,) make, in the item of coal alone, as consumed under the old system, a saving of more than two millions of dollars per annum.

Our monitors and iron-clads were also placed in the hands of the mechanics and put in thorough repair. Four of the largest have gone into commission, as part of our available cruising force, and the rest are kept, at small expense, in complete order, so that the whole fleet can be ready for service in a week's time.

Of course so much work could not be done without considerable expenditure of money, but by close economy, and a system of strict accountability, the sum of this expenditure has, up to the present time, been kept considerably below the amount of the expenses of the department for the same period of the last year.

Since the 1st of March, 1869, no less than eighty (80) vessels of every class have been repaired or altered, or put in process of repair at the various navy yards, yet the books of the Treasury will show a decrease in the expenditures of the department for that time, as compared with the corresponding period of 1868, of three million five hundred and twenty-one thousand eight hundred and twenty-two dollars and ninety-two cents, (\$3,521,822 92.) The statement hereto annexed, entitled "Exhibit of expenditure," will show the ships repaired, and the monthly expenditure of the department.

**THE PRESENT FORCE AND ITS EMPLOYMENT ON THE VARIOUS STATIONS.**

THE NORTH ATLANTIC SQUADRON now consists of the Powhatan, Tuscarora, Severn, Albany, Nantasket, Nipsic, Seminole, Swatara, and the tugs Speedwell and Standish, together with the two heavy iron-clads, the Saugus and Dictator; twelve (12) vessels, including tugs, and mounting in all seventy-six (76) guns. It is commanded by Rear-Admiral Charles H. Poor, who relieved Rear-Admiral Hoff on the 15th day of September last.

For the reasons hereinbefore referred to, the department was not able, at first, to show the force in the West Indian waters which the protection of our interests there seemed to demand. Some outrages on American citizens by the Spanish authorities of the island were reported, in consequence of which Rear-Admiral Hoff, then in command, was directed to proceed to Santiago de Cuba to investigate the matter and take measures for the better protection of American citizens and interests. He executed this duty with promptness and discretion; his reports have been made the basis of negotiation for redress; and since this timely show of power no further aggressions are reported.

The present commander of the North Atlantic squadron has been directed, while preserving strict neutrality between the contending powers in Cuba, to permit no injustice to citizens of the United States, to prevent interference with our commerce, and at once to repel and punish any disrespect or violation of our flag.

Owing to the prevalence of the yellow fever our vessels have been necessarily kept outside the principal port of Cuba, but they rendezvous at Key West, whence they can communicate by telegraph both with Havana and the Navy Department.

Some of the vessels of this squadron have also been cruising among the West India Islands, more particularly in the waters of Hayti and San Domingo. Part of this island has been, during the past season, in a state of revolution, and it was much regretted that the department could afford only partial protection to our interests in that quarter, by sending vessels from time to time as they could be spared from other and more important duty.

At Aspinwall a vessel has been constantly kept to look after the persons and property of our citizens at that point and on the isthmus.

THE SOUTH ATLANTIC SQUADRON now consists of the Lancaster, (flag-ship,) Quinnebaug, Wasp, and Portsmouth, four vessels mounting forty-three (43) guns, and under the command of Rear-Admiral Joseph Lanman. It is highly important that this fleet should be increased, as there is not at this time on that station sufficient force to guard our citizens and commerce on the coast of Brazil, and in the regions of the La Plata.

In consequence of the war existing between Brazil and Paraguay, the navy has been frequently called upon to afford protection to American



citizens and interests in that latitude, and the department desires to send there, as soon as practicable, vessels of light draught, which will be able to ascend the rivers of the Argentine Confederation and Paraguay.

THE PACIFIC FLEET, under command of Rear-Admiral Turner, with Commodore Wm. Rodgers Taylor, and Commodore D. McDougal, commanding the respective squadrons, consists now of fourteen (14) vessels, the Kearsarge, Lackawanna, Ossipee, Mohican, Resaca, Cyane, Jamestown, Saginaw, Dacotah, Saranac, Nyack, Onward, and the Guerriere, (refitting,) with the Pensacola as flag-ship, mounting in all one hundred and twenty-nine (129) guns. Of these, the ten (10) last named have been or are being thoroughly repaired and altered in the manner hereinbefore mentioned, and the fleet, though smaller in number, is already much more effective for the duties of that station.

A ship of war has been stationed on the coast of Alaska since that country was ceded to us; and the sloop of war Cyane, with a properly equipped steam launch, has also been sent there as additional force during the coming winter.

An astronomical party was conveyed to Behring Strait, in the Mohican, and an interesting account of their observations will be found in the report of the Superintendent of the Naval Observatory.

The rear-admiral commanding the station has visited the Sandwich Islands during the last summer, for the purpose of communication with our minister, and looking after American interests in that locality. He has been also charged with the superintendence and completion of the surveys of the Midway Islands, for which, and for the purpose of removing obstructions, Congress made an appropriation at its last session. The department has entered into a contract for the execution of this work with Mr. George W. Townsend, of Boston.

The naval operations on the Pacific for the last year will be found, together with those on the other stations, detailed at length in the statement entitled "Operations of fleets," attached to this report, and, without repeating it here, I will only say that, though the arduous duties of the stations have been well performed, covering the extent from Alaska to Cape Horn, and including the islands of the Pacific, it still is evident that our force in the Pacific is inadequate for the duties required of it.

Our trade on that ocean is constantly and rapidly increasing, and our citizens are found located everywhere on its shores and among its islands. All the groups are visited by our whalers, and many Christian missionaries, who are entitled to the protection of our government, are scattered among them. The regions of the South Pacific have not been visited by an American vessel of war since the exploring expedition under Captain Wilkes; and the great Polynesian Archipelago, holding out many inducements to our commerce, has been but partially explored and surveyed. Applications come constantly from our minist

representatives on the Pacific, urging the necessity of sending vessels to various ports, but we are rarely able to respond to their appeals.

The sloop of war *Kearsarge* was sent to make a limited reconnaissance of the Pacific Islands, with orders to extend her cruise as far as Australia, where she was last heard from. The satisfaction caused by the appearance of this vessel at the points where she touched, gives a true and high idea of the value of such cruises.

The *Jamestown* was subsequently sent with orders to visit the Feejee Islands and the Caroline Group, for the purpose of investigating reported outrages on American citizens, and looking after the interests of the United States in that quarter.

The department trusts that it may soon be able, with the approbation and assistance of Congress, to meet more fully the requirements of this station.

THE EUROPEAN SQUADRON, under command of Rear-Admiral Radford, has been reinforced by the *Juniata* and *Supply*, and the *Sabine* has been attached to it for the present; it consists now of these vessels, with the *Richmond* and *Plymouth*, and the *Franklin* as flag-ship—six (6) vessels, mounting one hundred and six (106) guns. This is, of course, but a small force for a station so conspicuous and important, but we have not been able further to increase it. As soon as the resources of the department will permit, this squadron should be largely strengthened.

THE ASIATIC SQUADRON consists of the *Piscataqua*, (flag-ship,) *Oneida*, *Monocacy*, *Iroquois*, *Ashuelot*, *Unadilla*, and *Maumee*; and the *Benicia*, *Colorado*, and *Alaska* are also fitting out for that station; making in all ten (10) ships, mounting seventy-two (72) guns. It is commanded by Rear-Admiral Stephen C. Rowan. I regret to say that three (3) of these ships have been condemned as entirely unseaworthy, unfit for cruising except in rivers, and unsafe to be sent to the United States; and, as there is no opportunity of repairing them in those waters, the admiral in command has recommended that they be sold on the station. The department has therefore directed that, when it shall be no longer possible to use them with safety, their armament and stores be removed and sent home, and the vessels themselves sold to the best advantage. This order has already been carried out in the case of the *Aroostook*, which was also condemned.

The completion of the Pacific railroad must largely increase our intercourse with the East, and as the presence of a strong naval force constitutes our most powerful appeal to Asiatic respect, it is deemed advisable to keep on this station as large a squadron as possible, not only for the protection of our citizens, but to increase the prestige of our representatives in that quarter.

During the civil war in Japan the presence of our war vessels was felt to produce a very beneficial effect; carefully observing a neutral policy themselves, they gave security to our citizens and prevented much threatened injury to American interests. Rear-Admiral Rowan

has been directed to afford every facility at his command to our citizens who are endeavoring to obtain from the Chinese government permission to lay an electric telegraph. Should they obtain the desired permission, an officer will be detailed to represent the United States in the undertaking.

Elsewhere on this station every attention, within the limited means at command, has been given to American interests. The squadron has been constantly employed to its fullest capacity. Every effort is being made to reinforce it with efficient vessels as fast as they can be fitted out, but we shall not be able with our present means to give it the strength which the station requires.

#### INCREASE OF OUR FORCE ON FOREIGN STATIONS.

Such is the condition and employment of our navy at the present time, differing from what it was at the commencement of this administration, only in the advance of the ships and material on hand from a state of deterioration to a condition of efficiency and improvement.

This, while it was all that the department could do under the present authority and appropriations, is by no means all that I conceive to be necessary for the safety of the great interests involved, or even for national defense in time of danger. The service needs, and the position of our country requires, a great increase in the effective force of the navy; not so much in the number of the ships that constitute it as in the number and character of those employed. I recognize the necessity for close economy in expenditure under the present circumstances of the country, but the naval expenses make but a small part of the national appropriations, and the true wealth of the country will not be increased by neglecting the means of national safety and honor, nor money saved by refusing adequate protection to commercial enterprise.

In a country peopled like ours, and separated by the sea from powerful neighbors, we need, in times of domestic peace, only the organization and nucleus of a land force; but with the prosperity which follows domestic peace comes the demand for protection to the commerce which it fosters and the wealth it accumulates.

Our prosperity, either as a producing or as a manufacturing people, is measured by our commerce with countries beyond the sea; and wise statesmanship and true economy alike require adequate protection for this means of national wealth, both on the ocean where it is employed and in the ports where it is organized and whence it issues, and in which its immediate results are accumulated.

We have already opened steam communication between Europe and the East across our continent and through our ports on either ocean. In this age time is an essential element of wealth, and we may reasonably expect that the route which connects the trade of the East with the markets of Europe in forty days will, if fairly fostered and protected, practically supersede that which consumestwice that period.

nation controlling the trade of the East has always been the leading one in the commerce of the world: looking to this as the source of national wealth and maintaining a powerful navy for its protection. As our trade in this direction increases, we should gradually prepare to protect it on the waters of both oceans: and our responsibility will be largely increased, if we shall be able to open, under the auspices and protection of our government, (and we cannot commit it to any other,) ship communication across the great Isthmus.

To afford reasonable protection to our commerce we must have some ships able to cope with those of other maritime nations. Our navy, during the war, assumed large proportions in respect of numbers and expense, and it was effective, for the occasion, against an enemy having little naval power: but it was made up largely of vessels purchased or built to meet the emergency. A large proportion of it was not adapted to cruising purposes, and, with the exception of the monitors, which were not built as sea-going vessels, it would have been almost powerless against such fleets of sea-going iron-clads as either England or France could bring into action, on the ocean, or on our own shores.

It is the habit of every foreign nation, making any pretension to maritime power, to keep on every station one or more powerful sea-going broadside iron-clads, against the force of which our wooden vessels on the same station would be powerless. In the event of a war our ships would be uselessly sacrificed, or obliged to find safety in neutral ports, or, abandoning the sea, and leaving our commerce to its fate, to seek on our own shores the protection of our monitors and forts.

It is not doubted that any war with a foreign enemy must be a maritime one. The American people are accustomed to success on the ocean; and they would have little cause, and less inclination, to forgive a policy which, at the first sign of a foreign war, sent our navy hurrying ignominiously to our shores.

Yet we have not, at this time, on any foreign station, a squadron whose combined force would avail for a day against the powerful sea-going iron-clads which both France and England have on the same stations.

These are not agreeable facts to contemplate, or to state, but, after giving the subject much investigation and reflection, I have felt it to be my duty to state the truth frankly, through you, to the representatives of the people, that they may determine how much and how prompt action the situation requires.

It is true our best monitors would, if brought into action, be powerful against anything that floats, but these are steam batteries, not sea-going cruisers. Some of them have illustrated, by successful experiment, their capacity for a sea voyage under favorable circumstances; and the department has, for want of any more available force, lately put some of them in commission for duty on the home or North Atlantic station, but they could not be used with advantage as cruisers on foreign

stations. They require several vessels to accompany them, and, being entirely without sail-power, must be towed as soon as their coal is exhausted. They would be always dangerous to health in tropical seas; and with broken or disordered machinery they would be helpless in mid-ocean.

They are valuable for auxiliary defense of our own shores, but should not be relied upon beyond them.

A cruising vessel, suitable for our requirements, should be able to depend on her own resources without looking for aid other than that she carries within herself. She should have ample steam-power to carry her rapidly in chase or in action, and should possess at the same time the qualities of a first-rate sailing vessel, able to keep the sea at will without consuming her coal. She should carry a broadside battery of heavy guns, and be herself impervious to the heaviest ordnance afloat.

England and France, rivaling each other in ingenuity, energy and liberality in this direction, have both succeeded in constructing some beautiful specimens of iron-clad sailing vessels, with auxiliary steam power, effective for every warlike purpose, and able to keep the sea under all circumstances. They have high speed, and one of them would be a terrible foe for a squadron of wooden vessels. In the meantime we have built no ships of that kind, but we have watched with interest all the naval experiments of Europe, and, familiar with their details and results, we know their strength and their weakness.

Under these conditions, we can be sure that every step we take is a wise experiment of a real improvement. The time has come, I think, when we should begin to use the knowledge we have been seeking; and I therefore earnestly urge the propriety of commencing at once the building of sea-going iron-clads, suitable to cruise on foreign stations, and able to protect our commerce and vindicate our principles in any emergency. We should aim to have one or more of these ships on each foreign station, and to be prepared with the necessary reliefs. This will ultimately require no less than ten in all; and, without attempting to build them all at once, we should (admonished of the urgency of the case, and of the time necessarily consumed in their construction) commence immediately on no less than four—one for the Asiatic, one for the Pacific, and two for the European squadron—following these, as rapidly as circumstances will admit, with those necessary for the other squadrons and their reliefs. I recommend that plans for the boilers and engines of these vessels be submitted by persons outside of the navy, the best of which may be adopted.

These, with some additions to our wooden vessels, and the refitting on the plan adopted, and the proper employment of such effective ships as we now have, and with our monitors and torpedoes for harbor defense, will give us the nucleus of a navy, not indeed proportioned to our commerce or approaching the force of other maritime powers, but sufficient to command respect abroad, and to afford time, in case of

war, to organize and apply the resources of our country and the energies of our people.

For your further information and that of the representatives of the people on this subject, I herewith transmit, in the paper entitled "Mercantile and naval tonnage," a detailed statement of our mercantile and naval tonnage, and the relation which it bears to that of some other maritime powers.

On the 30th of June, 1868, while our ships of war in commission numbered fifty-seven, (57,) mounting five hundred and ninety-two (592) guns, with a tonnage of fifty-five thousand four hundred and fifty-five, (55,455,) or only about one-eightieth ( $\frac{1}{80}$ ) of our whole mercantile tonnage, those of France in commission numbered one hundred and fifty, (150,) and had a tonnage of two hundred and fifty thousand (250,000) tons, or one-eighth ( $\frac{1}{8}$ ) of their mercantile marine, and those of England in commission numbered one hundred and ninety-one (191) vessels, mounting twenty-five hundred and sixty-six (2,566) guns, and had a tonnage of three hundred and twenty-eight thousand six hundred and fourteen, (328,614,) or one-seventeenth ( $\frac{1}{17}$ ) of their mercantile marine.

This comparative statement represents our commerce in its present depressed state.

Both France and England, since the date at which the comparison is made, have added largely to the number and power of their respective naval establishments, but we have not increased, nor until very lately even preserved ours.

#### HOME DEFENSE.

But the subject of protection to our commerce and influence on foreign seas, by no means comprehends all that the department feels called upon to represent in connection with the question of the size and character of our navy.

The matter of national defense is still more important, and comes home as closely to the interest and the pride of the whole people. Any comprehensive plan of a naval establishment must include some practical provision for the defense of the numerous seaports scattered along our coast, and the great rivers and bays, on whose shores are concentrated so much of the national and individual wealth.

Our monitors have been already alluded to as a ready and effective means of harbor defense, and this they will doubtless be, to the extent of their number and capacity. But, unless completely and certainly invulnerable, they are comparatively useless, and we must therefore keep pace with the late improvements in ordnance. Most of them are capable of bearing the additional armor necessary to give the strength required, but this will of course require a new and considerable outlay of money.

## TORPEDO CORPS.

Another comparatively inexpensive but most effective means of defense has not escaped the attention of the department. I refer to the *sub-marine torpedo*. The terrible destructive power of this instrument was shown during our late war. Since that time considerable attention has been given to this subject by officers of the navy, particularly by those stationed at the Naval Academy.

Shortly after my appointment as head of the department, a torpedo corps was established under the Bureau of Ordnance to make experiments, take charge of the apparatus, and perfect a system for the application of this means of defense to our coasts and harbors.

This is, of course, not a subject for public illustration, but enough experiments have already been made to show how valuable, as well as terrible, is this means of defense; and to convince all having knowledge of it that when it shall have been further perfected, and its use systematized, the torpedo will be one of the most effective weapons of marine warfare. To insure safety and success in their use under every condition requires a knowledge of the scientific principles applicable to their construction and use, with an intimate acquaintance with the localities to be defended. The torpedo corps has therefore been selected with care, and the experiments are conducted under the supervision of an officer of scientific ability. As soon as a torpedo is constructed and the particular locality and manner of its use determined, it can be stowed away as an inexpensive but most effective weapon of war.

This means of defense, properly applied in conjunction with a system of harbor obstructions, backed by monitors, and supported by the forts and water batteries which command the narrow entrances to our principal harbors, would defy any power which could cross the ocean to attack them.

These localities have been the subject of careful inspection by both branches of the military service, and both are thus prepared with the knowledge which only actual inspection can give.

I commend this subject through you to the attention of Congress, and I trust they will afford the means to pursue and perfect the system.

In the paper herewith transmitted, entitled "Plan of naval establishment in time of peace," will be found a detailed statement of what is believed to be the most economical and efficient organization of the force necessary.

This force, there estimated as low as one-fiftieth ( $\frac{1}{50}$ ) of our mercantile marine, or at about one gunboat of six hundred tons to sixty thousand tons of commerce, is less in the number of ships than that which we now have.

To carry out the suggestions I have made, both for foreign and home defense, will not of necessity entail a very heavy immediate expense. It will be seen by the report of the board on steam machinery, ~~ves~~

referred to, that we have now on hand a large number of costly vessels and a vast amount of expensive machinery, not adapted to the naval service and comparatively useless in its reorganization. By the sale of these articles as rapidly as it can be done to advantage, a large proportion of the cost of the proposed improvements can be ultimately repaid to the treasury.

Besides, by making our force more effective in character and organization, we shall be able to keep a less number of vessels in commission in proportion to our coast line and commerce, and expense will be decreased by the decrease of the number of ships, men, and officers employed.

These means, with the proposed annual saving in the use of coal, should quickly reimburse for present outlay.

#### OCEAN STEAMERS.

There is another element of defense against the time of danger, perhaps as effective as any other, available to wise and liberal statesmanship. Nations, like men, hesitate to attack those who are prepared to do them serious injury, and in the means of destructive aggression is often found the surest defense against all who have anything to lose. Such means would be at hand, if we had lines of ocean-going steamers established, running out of our ports in the peaceful pursuit of commercial enterprise, but carrying our own flag, and available to our government in time of need.

The attention of thoughtful men has been much directed to this subject, and all are looking to the national government for encouragement. To provide and protect the great means of commercial intercourse, both domestic and international, is one of the direct purposes of government, for which it is established, and to which its resources may properly be directed. Enterprises of such magnitude are undertaken at great expense and risk of capital. Important elements of the public wealth and prosperity, they are, in their nature, subject to the vicissitudes of public policy. They thus assume a national character, and are, I think, the proper subjects for government aid and direction.

It will not become me to discuss in this report the many arguments of national prosperity and pride which press the subject upon us, but I may be permitted to urge it as an important element of national safety. In support of this view, I call attention to the fact that there are now running from the ports of New York, Boston, and Baltimore for those of Europe, over sixty (60) powerful screw steamers, averaging nearly three thousand (3,000) tons each. These steamers, carrying the English and French and German flags, are, most of them, the results of wise liberality on the part of their respective governments; and they now absorb a very large proportion of the carrying trade across the Atlantic. Their average time in crossing, to and fro, in all weathers, is not more than eleven days. Any one of them could be quickly converted into an effi-



cient and powerful ship of war, capable of carrying full-sail power and keeping the sea for any length of time. Here, then, is a heavy tonnage of possible war vessels, larger than that of our whole navy on the 1st of January, 1868.

Had our mercantile marine possessed such lines at the breaking out of the late war, we might, instead of permitting the rebels to introduce a vast amount of war material before we could collect the means to prevent it, have quickly closed every southern port.

A comparatively small force of this kind, appropriately armed and let loose on the ocean, under the command of bold and intelligent officers, would be a dangerous foe to the commerce of any country. Our own was substantially driven from the seas by two or three roughly equipped vessels, much inferior in power to those of which I have spoken. Thus it will be seen that, in giving up this field to the occupation of other nations, and yielding to them the commercial advantages which naturally belong to our own position and resources, we at the same time relinquish our own weapons and arm our possible enemies.

We are looking with confidence for a large increase in the commerce of the East, which will require a corresponding increase in the present means of rapid transportation on both oceans; and, in the interest, simply of the naval establishment and of so much of the national defense as depends upon it, I earnestly urge that measures be taken, at this juncture, to induce our own merchants and ship-builders to enter into this field of enterprise.

Inducements should be held out to those who are willing to undertake it, to build steamers on plans approved by the Navy Department, subject, in case of necessity, to be taken by the government at an appraised value.

Those on the route between California and Japan should be able at all times to protect themselves against pirates and privateers, and all should be of a class available in war.

I do not, of course, suggest any particular plan on this subject, and I speak of it only to show how much the naval establishment, in common with every other national interest, will be affected by its proper solution.

#### NAVY YARDS.

Among the most important elements of a naval establishment are the yards where its material is collected, and its ships built, repaired and equipped. When these are not of a character to enable this work to be done well and rapidly, the establishment is weak in an important point. The great maritime powers of Europe have immense establishments, built and maintained at great expense, and furnished with every means for the rapid construction and fitting out of their fleets.

The first official act of my immediate predecessor was the appointment of a board to examine and report the condition of our

I have myself visited and inspected most of those on the Atlantic coast. They are generally of small capacity, and ill adapted to meet the requirements of modern naval construction. Some were established at a comparatively early date, apparently without providing for the future, and are not, in their present position, susceptible of much improvement; and others, though of larger capacity, are at present poorly supplied with the means of rapid work.

We have seven regularly established navy yards. Not more than four of these are capable of fitting out more than two or three vessels at one time. In all, we feel the want of more docks. In our seven navy yards we have but three dry docks. This want would be severely felt in time of war, as the floating docks used by the mercantile marine are not suitable for taking a heavy armored ship out of the water; and nothing is really safe for a vessel of war but a regular dry dock, into which she can enter with armament and stores on board, without straining or danger. While I mention these things as a proper subject-matter of report, I do not, at this time, propose any large expenditure for the improvement, in these particulars, of the yards in actual operation on the Atlantic coast. They are generally available for the present, and the most pressing need is elsewhere.

The report of the board appointed to examine the condition of the navy yards is herewith transmitted. It will be found to be very instructive, and to the information and suggestions therein contained careful consideration should be given. Never before has so much and such accurate information on this subject been in the possession of the department.

There are a few points, however, to which I desire to direct particular attention.

*Pensacola.*—The first is the necessity of some action for increasing our facilities in the Gulf of Mexico. The yard at Pensacola was so far destroyed during the war as to be now almost wholly useless, and we are without a depot on the Gulf where vessels can be refitted. The station, which includes the West Indies and the Gulf, is one of great and growing importance. In the present condition of things, a vessel on that station needing any repair is obliged to be sent to the navy yards of the North.

*Mare Island.*—The navy yard at Mare Island is our only yard on the Pacific coast, and on it we should be able to depend for the maintenance of our whole fleet on that ocean and in the East. This yard is very favorably situated, of large capacity, and capable of being made the great naval station of the western coast. Much loss of time and money is incurred in sending ships around Cape Horn, and prompt measures should be taken to establish at Mare Island a working yard and depot of naval supplies sufficient for the building, furnishing, and refitting of our ships in the Pacific.

*League Island.*—The third point, pressing on this subject, is the neces-

sity of commencing at once to prepare our great fresh-water naval depot at that part of the Philadelphia station known as League Island. This is not only desirable in view of the present condition of the yard at Philadelphia, but is rendered necessary by the present character and future necessities of the navy.

Ships are, of course, better constructed and equipped at large establishments, possessing complete accommodations and facilities for the economical arrangement and application of material.

The great defect in the situation of most of our yards is their want of land area and available water front sufficient to do even their present work to advantage.

This is particularly the case with that portion of the naval station at Philadelphia where the work is now done. The water front of the present working ground is so small that four ships can hardly lie there without being in the way of each other. Buildings and machinery of every description are cramped and crowded together, interfering with their proper use, causing great expense of both time and money, and, from the close proximity of workshops and inflammable material, exposing the whole to great risk. In case of fire nothing but the most favorable circumstances would prevent a general destruction of everything in the yard; and great vigilance is required and constant expense incurred to guard against a general conflagration of houses, ships, and material.

Moreover, this portion of the station is situated in the midst of a great city, stopping its growth in one direction and interfering with its improvement, and itself subjected to all the inconveniences incident to its position as an independent establishment in the midst of a municipality with adverse interests and under different government.

Like difficulties have been felt at the Brooklyn yard, but those at Philadelphia are much greater. These inconveniences in the working of a station of such absolute importance as that of Philadelphia are most serious. They are great at all times and they will be more severely felt as iron comes, as must now be the case, to be more generally used as a material for naval construction. In view of the necessity of fresh water for their preservation, the Philadelphia station is, for the repair and ordinary of iron ships of every class, far the best, if not the only practical one on the Atlantic coast. Situated on a great fresh water river, one hundred and twenty miles, by its course, from the sea, in the heart of a populous country, at the great centre of iron and coal, and with water sufficient for the draught of the largest ships, it presents at once every condition of convenience, economy, and defense.

The only difficulty for the present and for the future is found in the size and situation of that part of the station which we are now, for want of legislative action, obliged to use as the working yard.

I should not feel authorized to speak so strongly on this subject were it not that we now actually own, as a part of the same general station, this island, of an area of six hundred (600) acres, between the

mean low tide, cut off by navigable water from the main land, with a water front on the Delaware alone of two and a half ( $2\frac{1}{2}$ ) statute miles, with a depth of water of thirty (30) feet, and with great natural facilities for basins and docks, enjoying all the advantages before enumerated, and subject to none of the inconveniences experienced at that portion of the station now in active use.

This position was approved by the department after close investigation by officers of every class; and the land itself, the gift of the city of Philadelphia, and purchased by her at great expense as a measure of relief to herself and to the government, was given and accepted with the idea of transferring to that point all the naval operations of the station. This, the department has been and is anxious to accomplish; but it needs an appropriation for the preparation of the new yard, and without this it cannot move.

In the mean time it would be foolish for the department, even if it felt authorized, to expend money on the permanent improvement of the present working yard at Philadelphia; and nothing can be done either in the rearrangement of buildings or the providing of the improved tools and machinery proper for the work required.

The annual expenses of this yard are, for these reasons and those before given, much increased; and it is not doubted that the savings from this source, and from the expense now incurred of maintaining two establishments, with the money which can be realized from the judicious sale of the land now occupied in the heart of the city, will go very far towards repaying the expense of establishing the yard at League Island.

I trust, therefore, that authority, if it be necessary, will be given to the department to transfer the working yard of the Philadelphia station to League Island, as rapidly as is consistent with the interests of the service, and to dispose of the present yard as portions of it shall be vacated; and that an adequate appropriation will be made for the work necessary to be done before any part of the present yard can be sold.

The survey of the island, and a plan for its improvement, is herewith transmitted.

*New London.*—Eighty-three (83) acres of land on the Thames River, near New London, were some time since given by the State of Connecticut, and accepted by the government with a view to the establishment of a naval station at that place.

In conformity with this understanding, the department has placed a proper naval officer in command there, but it is able to do nothing towards actually establishing the new station without an appropriation for that purpose.

The land referred to is well situated on the bank of the Thames River. It is favorable, in its general character, for the object designed, and it has a water front of fifty-two hundred and eighty (5,280) feet, running back from the river six hundred (600) feet, and a depth of water in the channel of over thirty (30) feet.

It is situated in the midst of an industrious community, whose labor is skillful and cheap, and on a fine harbor easily accessible in all weathers and from almost every point.

This land was, as I have said, given and received for the purposes of a new naval establishment, and in this spirit the department presents it for the consideration of Congress, and such appropriation as present circumstances may warrant.

*Other yards.*—There are two other points which require consideration and action as soon as the condition of affairs will admit.

The first is the propriety of increasing the size of the yard at Gosport, in Virginia. This yard is in a most favorable location, with a beautiful harbor easily defended. The ground adjacent to it, running up the river, could be purchased on better terms now than is likely to be the case again, and would be very valuable, giving the government the land on both sides of the channel.

The other is the very great convenience and economy which would ultimately result from the establishment of a navy yard, for repair and refitting at least, somewhere on our southern Atlantic coast. All our ships cruising in the West Indian and South American waters are obliged to resort, at great disadvantage, to our northern yards for all needed refitting or repair. Though this subject does not at this time press with as strong a necessity as many others, yet it is of great importance, and may become much more so in view of a possible ship canal through the Isthmus, and the consequent great increase in the trade and importance of the West India Islands.

Many improvements, and some ultimate changes, are required in other yards, the particulars of which will be found in the report of the chief of the Bureau of Yards and Docks, herewith transmitted. In connection with the navy yards, I desire to call attention to a matter which, though not of great national importance, affects seriously a large class of deserving persons. The act of July 14, 1862, prohibits in effect the payment of any wages to workingmen except "for the time during which they are actually engaged." This provision, which does not interfere with salaried employes, seriously affects workingmen who are ready to work, but are deprived of the opportunity, on each of the many recurring days of national mourning or ceremony.

This, though apparently a small matter, is of real importance to those who are dependent upon the wages they receive each day for the daily support of their families, and who, by reason of their engagement with the government, are deprived of other employment. I trust the law will be so modified as to permit the department to make the workmen some allowance on days of unaccustomed and compulsory leisure.

#### TIMBER LANDS.

I also call attention to the lands reserved by the government for the supply of timber to the navy. From this source we drew our supplies of

live oak in former times. No adequate protection has been given to it of late years. Much of it was destroyed during the war; and of that which escaped, large quantities have been indiscriminately cut by trespassers, and sold to the government. This timber is of the greatest value, and its loss cannot be again supplied. Once destroyed, we have no other timber to take its place. The old "Constitution," built of this material more than seventy years ago, is still in commission, with half her more important original timbers in her, while fleets of white-oak vessels have long since gone to decay. It must not be supposed, that with the use of iron in ship-building, the necessity for indestructible timber will no longer exist. The fact is that it must still be used to a great extent in the construction of cruising vessels, even though built of iron. From it are made the immense frames which are built to support the iron, and give buoyancy to the ship.

The supplies of seasoned timber laid up in our yards have been almost entirely consumed, and we should take every means to preserve and secure that which remains on the government lands.

The department has lately detailed an officer to look after these lands, but nothing but stringent laws, strictly enforced, will secure the remainder of the old timber, and protect the new growth.

#### NAVAL ACADEMY.

The standing of the Naval Academy continues to be maintained. The system of mental and physical training there pursued is of the highest order, covering every branch of practical and professional knowledge, and fitting the student for all the varied duties of his profession. The graduates bring to the service minds disciplined and enriched by regular and well directed study, and bodies strengthened by manly exercise. In mental and physical accomplishment, in tone and spirit, in character and capacity, they do honor, as a class, to the institution and to the country.

No change has been made in the system of education since the last report. The number of graduates at the close of the last year was seventy-five; the number of those admitted during the present year was eighty-six; the total number of midshipmen now at the Academy is two hundred and forty-eight. The Vice-Admiral, for the last four years in charge of the Academy, and who has inspired it with the energy of his own character, has been this day relieved by Commodore John L. Worden, who takes charge as superintendent.

The report of the superintendent for the last year is herewith transmitted.

#### SEAMEN AND PETTY OFFICERS.

But it is not worth while to maintain expensive navy yards, build fine ships, and carefully educate our officers of higher grades, unless we pay

closer attention to the character and training of our petty officers and seamen.

The naval service everywhere presents conditions of life, duty, and discipline differing from those of every other pursuit.

The nature of naval operations, and the circumstances under which they are performed, require and produce these conditions among every people and under every form of government. They combine to establish a distinct class, with strong features of resemblance all over the world, and everywhere differing from the body of the country they represent. The best characteristics of this class, both officers and men, are clearly the results of the discipline, training, and traditions of the service in which they have been reared; and wherever these traits are most distinctly recognized, there the service is ever most efficient.

We, in common with all other maritime nations, have established schools of instruction and preparation for officers, and have produced as a result a corps which will compare most favorably with any in the world.

But we have neglected and are neglecting the means necessary to bring forward, educate, and attach to our service a competent and efficient body of American seamen.

I deem it absolutely necessary for the maintenance of the high character of our naval service that some well-defined system, calculated to create and secure a class of petty officers and skilled seamen, upon which the navy can rely to man its fleets in time of war, should be at once adopted, and carefully and rigidly applied to the service.

England and France have long since recognized this necessity, and each, though in different form, best suited to the character of their government, has successfully provided suitable plans to accomplish the desired result. We can profitably study and learn much from the practical working of both the French and English systems.

England, with a navy many times larger than ours, by means of her training ships, continuous service, good conduct badges, long service medals, gratuitous outfits, longevity pay, and liberal pensions, has now a full and unfailing supply of excellent seamen during peace, and an adequate reserve to draw from in time of war.

France, with a naval force in time of war quite equal to that of Great Britain, has her maritime conscription, suited alone to that country, but which fully supplies her navy with good men.

Beyond the "honorable discharge" which seems to have been bestowed indiscriminately hitherto, and a half-way pension, our navy holds out no inducement for sailors to ship, especially while the merchant service tempts them with increased pay, more liberty, and the chance of promotion to the positions of petty officers.

It is necessary to devise some further means by which to make our naval service popular with seamen, and to enable us to expand adequately in case of war.

Of late years, great attention has been paid abroad to the training of boys for seamen and petty officers. The system adopted has been long enough in operation to enable its full benefits to be understood. Both England and France are now reaping its advantages, in the possession of a fine body of petty officers and leading seamen, who, reared in the navy from their youth, are familiar with its discipline and its traditions, who belong to the service as much as do the officers, and who look to it as their occupation for life.

On several occasions we have attempted to introduce the apprentice system into our navy, but it has never made any great headway. Never properly fostered and encouraged, it was diverted from its intended object, and latterly substantially broken up by the law limiting the number of seamen in the navy to 8,000.

The importance attached abroad to the training of boys for the naval service is manifest by the number of vessels employed for that object. England has thirty-one national vessels devoted to the purpose of nautical education, aiming mainly at obtaining good petty officers and seamen. It is only the most intelligent and enterprising of the naval apprentices who work their way to the positions of boatswains and gunners, the extent of their ambition.

I would not blindly follow the example of any nation, but some attention should be given to the subject of bringing the personnel of our navy up to a higher standard.

In the French navy the crews are native born, and in that of England they are made up of English and Americans, while the cosmopolitan character of the crews of some of our ships shows the native element poorly represented.

It is important that a navy so small in number as ours should contain superior material of all kinds.

Those "waifs of the ocean" who are now in any navy, and now in any merchant service, have little or no love of country, or feeling of attachment for the flag. They are only held in the service by the slender tie of temporary convenience, necessity, and subsistence, often sundered by desertion or discharge, never to be renewed. This class now so exceeds and preponderates over that known as our "old man-o'-war-men" as to give a very undesirable character to the service.

For the improvement of the personnel of the navy, I would suggest that some plan be devised to attach permanently to the service the best men now in it, fast falling away through carelessness and neglect, and to raise up and educate a new class of men for warrant and petty officers; aiming to secure by this means a sufficient number of native-born seamen to supply current wants, and to have a large reserve always ready for emergency.

In our coast squadron, suggested in the plan of naval establishment hereto annexed, we should endeavor to combine a training school and a fleet for home defense—familiarizing our officers with our coasts and



harbors, and providing a disciplined corps of petty officers and seamen to man our iron-clads for coast defense at the shortest notice. This squadron would also form a reserve from which our ships could be manned as they were fitted out for service abroad.

It is also highly important that some plan should be devised by which all seamen belonging to the United States may be "registered" in such a manner that they could, in time of war, be at once designated and called upon. Notwithstanding all the laws enacted for their benefit and the "protection" they receive, the United States government has no control over our seamen in time of war. A civilian may be enrolled in the militia, and is subject to call, but no authority exists by which a sailor could be called to go on board ship to protect our harbors, were an enemy thundering at our gates.

During the rebellion our navy required some sixty thousand men, and the government only succeeded in getting vessels to sea at great cost. Bounties were paid at the rate of three or four hundred dollars per man, advances made on pay, and local and State bounties added. The whole amounted, in some cases, to over one thousand dollars for a single seaman. The precedent thus established will be referred to hereafter. It therefore becomes necessary that some means should be devised to bring the seamen in this country to its protection in time of war. The people would not object to the payment of suitable bounties, and making proper provision for the family of the sailor, provided the government could certainly secure his services when required.

To this end every seaman on the seaboard and on the lakes should be registered, and means taken to secure their service to the country, on some settled terms, in time of war.

I take occasion, in this connection, to draw attention to our mercantile marine, and to urge some action by Congress to protect our seamen from "runners" and "land-sharks"—terms not inapplicable to a class of men engaged in furnishing seamen to merchant vessels. No class of men are more cruelly treated. The evil is on the increase, and a suitable remedy can only be furnished by national legislation.

The system adopted by law in England has the effect of securing for their mercantile marine the best British and American seamen, and leaving the worst to seek service elsewhere. The English law to which I refer has been in operation upwards of twelve years. One effect of it has been to abolish "boarding and shipping masters," who shipped drunken and worthless men. No seaman can now be shipped in the British mercantile marine unless he can show an honorable discharge from his last ship. This rule is strictly enforced. Under the operation of this law, our native-born seamen are largely leaving our merchant ships and seeking service abroad, where they get better pay and have better association. This is a matter of great importance to us, as it directly affects our commercial interests, as well as the material from which we are to draw our naval force.

By adopting as far as practicable a system of registry and enrollment for active and reserve seamen, induced, if need be, by liberal, periodical advance of clothing and money, and a judicious system of "furloughs" and "pensions," "long-service honors" and rations, and bounties when necessary, we may do much towards the speedy restoration of the personnel of our navy; and by adding to this a regular system of training for petty officers and first-class seamen, its ancient prestige and glory may be maintained and increased.

#### NUMBER OF MEN.

Great inconvenience has been experienced from the restriction of the number of men of all classes in the service to eight thousand. This number was required to man the ships in commission; and, hampered by the law, the department could not provide men to be ready for relief when needed. Crews had to be discharged before those who were to take their place could be enlisted; and ships ordered home from their stations before the manning and organization of those which were to relieve them.

The loss of efficiency through this is readily seen, and the inconvenience will be more severely felt if the number of our ships in commission is increased.

The estimates for the next year are made on the basis of twelve thousand (12,000) men, as the smallest number for the proper performance of the work required. I trust that this increase will be authorized.

#### INTER-OCEANIC CANAL.

The great importance of the construction of a ship canal across the Isthmus of Darien has been constantly before the attention of the department. Now that the Suez canal has been opened for navigation, we are doubly stimulated to such efforts as will lead to the success of our own great enterprise. It is scarcely necessary to offer argument upon the value of such a work in its effect upon commerce, and, through commerce, upon civilization throughout the world. The public mind fully accepts and appreciates its value. But we have reached the utmost limit of utility in the mere study and discussion of the subject. The time has come for action in the field; and we are well informed as to the direction which this should take.

The successful surveys hitherto made on that part of the great isthmus lying between Tehuantepec on the north, and the province of Choco on the south, have furnished us with valuable information. Several of these have been accompanied by projects for an inter-oceanic canal, which have been for a long time before the world. The best evidence of their inability to command public confidence, is that not one of them has been carried into execution, although several excited hope, and were received with favor. It is clear, therefore, that until we know the whole ground,

we shall never be able to determine the best route. When that route is known, the most thorough examination of the ground will alone serve to settle the question of feasibility so far as that question depends upon cost. It would be matter of lasting regret, if the people and government of the United States were anticipated in this great work. Investigations should be at once commenced and directed to that part of the isthmus of which we are still almost wholly ignorant.

The department is preparing a plan of immediate operations, under the appropriation heretofore made, by which, it is hoped, valuable results will be obtained during the present season.

The first report of the officer in charge of this subject is herewith submitted.

#### ADVISORY BOARD.

At the last session of Congress a bill was passed through one house but not acted upon in the other, which provided for a board of experts to review the action of the bureaus, and to advise the Secretary in regard to the building, furnishing, and equipment of the navy.

My attention has been directed to the subject, and I am of opinion that some system of the kind proposed would be of great value for the information of the Secretary, on matters purely professional, and for the purpose of harmonizing and concentrating the work of the various bureaus. These, under the system of independent action formerly pursued, were often antagonistic in their ideas and not unfrequently came into direct conflict with each other.

The provisions of the bill referred to, with some general modifications as to the composition of the board and the manner of its appointment, would, I think, meet the wants of the department on this subject.

The board should, however, be wholly advisory, and without the power of interfering with the action of the Executive or his responsible representative.

#### RELATIVE RANK.

The subject of relative rank in the various corps of the naval service is one of much interest and some difficulty. Some of these corps are dissatisfied with their position under the law as it now stands, but there is no power in the department to change this, even should the propriety of such action be admitted by all. Rank can only be fixed by law. This subject, involving at the same time so many considerations of discipline, efficiency, and feeling, is now pressing for wise and dispassionate legislation, having in view only the best interests of the service.

A board, composed of officers of high rank and long experience, representing equally the various personal interests involved, has been constituted by the department to consider and report some proper system for the regulation of this matter. Pending the report of this board

desire to express no opinion on the subject-matter of their consideration. Should they be able to arrive at a proper conclusion, the result of their labors will be at once communicated to Congress for their information.

#### RETIRED OFFICERS.

Much injustice to the many distinguished officers on the retired list is now done by the operation of the act of March 2, 1867, requiring the advance of all officers on that list, as their respective grades on the active list are promoted. Many officers retired years ago on account of the condition of their health, or for the good of the service, are now regularly promoted under this law, and take rank with those who have gone on the list disabled by service or covered with honorable wounds. Some of those formerly retired, by long service in other times or gallant conduct during the late war, well deserve the honors of their profession; but it is not so with all.

The physical and mental condition of some officers renders their promotion worse than folly. It has occurred, that under the operation of the law referred to, the department was required to send an appointment of high grade to an officer long ago retired as a midshipman, who had rendered no service since, and who, confined as a driveling idiot in an asylum, could neither value nor understand the document which contained the expression of official confidence and favor.

It is hoped that this law will be so far modified as to leave some discretion in the application of its provisions.

In the year 1865, a board composed of Admirals who had commanded squadrons during the war, with Admiral Farragut as president, was convened by the Secretary of the Navy, to report the names of such officers as they deemed worthy of advancement, under the act of April 21, 1864. The board, after careful consideration, made a report strictly according to the letter of their instructions, and their selection would, it is believed, have been satisfactory to the navy at large. The recommendations of the board were, however, not acquiesced in, and the advancement was made quite independently of their action. The result is that many officers consider themselves as unjustly treated, and a feeling of discontent exists, most undesirable in the service. Some of the cases affected by this action have been already acted on by the administration. But it is felt that the real merit of each case can only be properly judged of by those who were personally cognizant of all its circumstances, and that too many considerations would be lost sight of in the lapse of time to permit of direct action by the department without the risk of further mistakes.

It is suggested that the department be authorized to appoint a board of officers, removed by high rank from all personal interest on this question, to examine the cases complained of, and to report their conclusions

for such action by the Executive and Congress as to them may seem proper.

Promotion for distinguished bravery has hitherto been confined to a single class of officers. This is not as it should be.

Distinguished gallantry and good conduct in battle should be held to entitle any officer of any class who exhibits it to promotion in his corps.

#### NAVAL PENSION FUND.

The pension roll on the 1st of November, 1869, was as follows:

1, 342 invalids, annually receiving.....	\$123, 643 10
1, 614 widows and children, annually receiving.....	267, 456 00
<hr/> Total 2, 956 persons, receiving a total of.....	<hr/> 391, 099 10 <hr/>

In the last report the then Secretary of the Navy called the attention of Congress to the operation of the act of July, 1868, practically repudiating a portion of the interest on the bonds of the United States in which this fund is invested.

As the present trustee of this fund, I desire again to present the subject to their consideration, as exhibiting an attitude which seems to be unworthy of a great nation toward its defenders.

The report of the board appointed to examine and report upon the condition of the naval pension fund, and the laws relating thereto, is herewith transmitted.

#### EXPENSES AND ESTIMATES.

The sum of twenty-seven million eight hundred and eighty thousand six hundred and fifty-eight dollars (\$27,880,658) was expended up to the 1st of December, of which amount seven million seven hundred and ninety-nine thousand three hundred and seventy-three dollars (\$7,799,373) has been refunded to the treasury, leaving the actual expenditures since the last report, December 1, 1868, twenty million eighty-one thousand two hundred and eighty-five dollars, (20,081,285.) The appropriations for the year ending the 30th of June, 1870, were fifteen million eight hundred and seventy thousand five hundred and thirty-one dollars and sixty cents, (\$15,870,531 60,) a sum scarcely larger than that which was usually appropriated for the support of the naval establishment previous to the war, when our navy was comparatively small; before costly and expensive steam machinery was largely in use, and the great expense of fuel incurred; when labor and materials were far below the present standard, and the hours of work one-fifth greater. With the greatly increased demand for expenditure in every field of operation the actual returns for money are now scarcely one-half of what they formerly were.

It is presumed that the appropriations for the present year were controlled by the fact that some surplus then remained at the command of

the department, and that they did not really represent the understood requirements of the service.

The estimates for the fiscal year ending June 30, 1871, are based on a force of twelve thousand (12,000) men (an increase of one-third) as the very smallest with which the present navy can be operated to advantage, and are as follows:

*Estimates for the fiscal year ending June 30, 1871.*

Pay of officers and seamen of the navy.....	\$7, 600, 000 00
Repairs of buildings, docks, and incidental expenses in navy yards.....	3, 722, 494 00
Pay of civil establishments in navy yards, hospitals, &c.....	434, 647 50
Ordnance.....	1, 119, 062 00
Coal, hemp, and equipments.....	2, 000, 000 00
Navigation, and navigation supplies.....	202, 500 00
Naval Academy.....	234, 540 00
Naval Observatory and Nautical Almanac.....	39, 800 00
Repair and preservation of vessels.....	6, 975, 000 00
Steam machinery, tools, &c.....	1, 750, 000 00
Provisions.....	1, 405, 200 00
Repairs of hospitals and laboratories.....	57, 800 00
Surgeons' necessities.....	72, 000 00
Contingent expenses.....	1, 532, 000 00
Support of Marine Corps.....	1, 060, 627 87
Total.....	<u>28, 205, 671 37</u>

**RESPONSIBILITY OF DISBURSING OFFICERS.**

The laws regulating the responsibility of officers disbursing the money appropriated to the naval service are inadequate.

The department has endeavored to remedy this defect by stringent regulations, and the requirement of prompt returns; but further legislation on the subject is needed for the security of the government, and the attention of Congress is called to the subject.

There are many other subjects of local and general interest pressing upon the attention of the department, but for which I have not found place for special mention in this report. Some of them are particularly referred to in the reports of the several bureaus, and others will be hereafter communicated.

**BUREAUS.**

The chief of the Bureau of Construction and Repair estimates for current wants, and asks an additional and special appropriation to collect supplies of timber to be seasoned for future use.

The chief of the Bureau of Ordnance reports that, on the recommendation of a special board, deteriorated cannon and ordnance stores at northern navy yards have been and are being sold, and the proceeds deposited in the treasury. An estimate for thirty guns of fifteen-inch calibre is submitted. None other are required. He calls attention to estimate for a niter depot, and to the question of additional magazines remote from cities and towns, and urges action at an early date. The interests of the country demand that every new improvement in ordnance or war materials should be carefully investigated, and, where shown to be valuable, speedily adopted. Temporary structures for magazines and workshops have been erected on Goat Island, near Newport, for the torpedo corps, and the sum asked for in connection therewith is deemed necessary.

The chief of the Bureau of Navigation states that additional apparatus is needed for the Naval Observatory, and special estimate for this is made and favorable action asked. In regard to the Nautical Almanac, it is suggested that almanacs of at least three years advance date should be supplied to vessels bound on long voyages, and considerable progress, it is stated, has been made to meet this want.

For charts and sailing directions the navy is mainly dependent upon foreign supply. An additional appropriation should be made to enable the hydrographic office, as soon as possible, to do away with this necessity. The bureau has already published valuable results from surveys made by our own vessels, and should be enabled to continue and perfect them. The army code of signals for general use, in connection with the present naval code, having been adopted, a department of that character has been established and is engaged in perfecting this branch of the service.

The apprentice system is regarded as having failed to accomplish the object desired, because boys are entered with the idea of becoming officers, and after the number allowed by law have been selected and admitted into the Naval Academy, the others become dissatisfied and useless. The chiefs of the Bureaus of Navigation, and Equipment and Recruiting, harmonize in opinion that the law in relation to apprentices and minors should be amended.

The chief of the Bureau of Equipment and Recruiting details the operations at the several yards in equipping vessels for sea under the new rules now established. Vessels are now taken in hand as soon as put out of commission, completely refitted and equipped, and if not required for immediate use, properly stored. This practice promotes economy and efficiency. Attention is called to the Boston and Washington navy yards, and certain improvements in reference to rope walks and anchors are recommended. The insufficiency of the law in regard to contracts for coal and other supplies suggested. A modification of the law is also suggested, regulating the number of men in the navy, allowing an excess when specially required. The present law in regard to desertions should

be so amended that a deserter may be apprehended at any time, and compelled to serve out his term of enlistment.

There is a lack of professional assistance to the bureau. An officer not below the grade of commander should be authorized by law as an assistant to the chief of the bureau.

The chief of the Bureau of Yards and Docks refers to the inefficiency of our navy yards, which was so painfully obvious during the rebellion, when the aid of almost every ship yard and machine shop in the country had to be called in. He also refers to the different yards in detail, and asks appropriations for their improvement, and in conclusion says "the appropriations asked are only for objects deemed indispensably necessary, no appropriations for the purpose having been made for the last three years."

The chief of the Bureau of Provisions and Clothing earnestly recommends that a supply of clothing be advanced to men enlisting free of cost; and suggests an increase in the ration in some particulars.

The chief of the Bureau of Steam Engineering reviews the condition of his department at the time he took charge. The appropriations available for the close of the fiscal year 1868-'69 and 1869-'70, together, amounted to about \$800,000. Had the intentions of his predecessor been carried out, \$424,068 would have been paid to contractors and \$345,992 for tools and machinery—thus leaving only \$30,000 for all the work of the bureau. By satisfactory arrangements contracts have been cancelled and some \$150,000 reserved for more immediate necessities. The engines and machinery scattered about the country have been taken in charge and stored in the navy yards. Tools contracted for have been delivered, and arrangements made to defer payment until Congress should make necessary appropriation. The funds thus saved and rendered available have been devoted to the necessary re-fitting and repairing of the machinery of ships required for service.

All the yards, except Pensacola, have been inspected in their engineering departments. The bureau has made no contracts for supplies for past and present fiscal years, owing to the smallness of the appropriations. The estimates for the next year for all objects under the bureau amount to \$1,805,520.

The chief of the Bureau of Medicine and Surgery submits the statistics of the number of cases treated and various forms of disease prevailing in the navy, also a statement of the insane of the navy, and the condition of the naval hospital fund, the balance on hand October 1, 1869, being \$428,825 25. Attention is called in detail to the repairs and improvements necessary at the several hospitals.

The commandant of the Marine Corps reports that on inspection, the corps is found in a high state of efficiency and discipline. There are 2,300 enlisted men in this service, 1,000 of whom are on board vessels in commission.

The marines are often called on to assist the civil authorities in the



principal cities, and on several occasions during the present year have been thus used at New York and Philadelphia.

The estimates for the quartermaster's department of the Marine Corps show a reduction of over \$112,000, as compared with the previous year.

All the bureaus urge the necessity for addition to their clerical force, and in this the department entirely concurs. The reduction made last year in the working force is found to have been too great, and great difficulty is experienced in getting through with the active work of the department, greatly increased as it has been by the introduction of the new regulations and requirements of duty.

The present requirement of full reports and direct accountability in all subjects, and the system of personal review of the action of the various bureaus, has greatly increased the work in the Secretary's office proper.

Since the abolition of the office of Assistant Secretary, the office of chief clerk of the department has much increased in importance. As the direct representative of the Secretary in charge of all matters not professional in their nature, the work of this officer is one of large responsibility and very great labor. The duties have been well and promptly performed, and the estimated increase in the salary is recommended. Under the present allowance of but three watchmen for the whole department, the men are overworked and the building and archives are in constant danger of fire.

#### CONCLUSION.

I have thought it proper in the first report of your administration to explain fully the present condition of the naval establishment, and to point out, with some particularity, the general principles which I think should be adopted for its improvement.

In doing so, I have been led to discuss some questions of public policy which have relation to the field of naval service, and which must be considered in judging of its present and determining on its future condition. I am not unmindful, however, of the fact that the present condition of the country demands the strictest economy in every branch of the public service; and many of the suggestions which I have felt it my duty to make, must be understood as pointing to that for which we should strive, rather than that which we may at once accomplish. With the necessary information and proper suggestions before them, Congress must be the final judge of what the situation demands, and the resources of the country will permit.

What the department has done during its brief period of your administration is before you. Squadrons reorganized, ships refitted, expenditures reduced, economy required, and responsibility enforced: this is what it has attempted. It must be left to your judgment, and to that of the country, to say if it has accomplished anything of its work.

For whatever has been done, simple justice demands that I should express how much we are indebted to the practical wisdom of my immediate predecessor, to the skill and exertions of the chiefs and officers of the several bureaus, and to the comprehension, energy, and ability of the distinguished officer detailed by you for my assistance, to whom the department and his country are so much indebted.

GEO. M. ROBESON,  
*Secretary of the Navy.*

The PRESIDENT.

## P A P E R S

ACCOMPANYING

### THE REPORT OF THE SECRETARY OF THE NAVY.

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#### BUREAU OF EQUIPMENT AND RECRUITING.

BUREAU OF EQUIPMENT AND RECRUITING,  
*Navy Department, Washington, October 13, 1869.*

SIR: I have the honor to submit the following report of the operations of this bureau, together with suggestions relative to certain changes which, it is believed, would facilitate its working in the future; and, also, estimates of the amount required for the fiscal year ending June 30, 1871.

#### GENERAL OPERATIONS AT THE VARIOUS YARDS.

The general operations of equipment at the various navy yards have been confined, during a large part of the year, to preparing for sea vessels which were required to relieve others ordered home from foreign squadrons. Twenty-five vessels were thus equipped, of which five were entirely fitted with standing rigging of wire rope; three with new hemp rigging; and the others by repairing that of wire or hemp which they already had.

In the latter part of the year, a change in the rule with regard to preparing vessels for sea somewhat stimulated operations. It had been the custom, on the return of a vessel from a cruise, to lay her up and store her equipments; and, generally, nothing was done toward preparing her for another cruise until it was *known* that she was to be required for one, in the immediate future. This system was productive of great embarrassment. When the time arrived, it was, in the absence of any previous survey, always uncertain what amount of repairs, and consequently, what length of time would be necessary to equip her. As a rule, emergencies requiring a vessel for immediate use passed before she could be got ready; or, in order to prevent this, such portions of the equipments of various other vessels as could be made to answer had to be used.

Under the present rule, as soon as a vessel goes out of commission, the work of refitting her is commenced, and it is steadily continued until her equipments are ready for use. They are then stored, and when the vessel is wanted, the brief time necessary to put them on board and fit them in place can be determined to a day.

The adoption of this rule conduces directly both to economy and efficiency. By obviating the fitful employment of labor, it makes it less expensive to the government, while the work is better done and the accounts are more accurately kept. When it has been carried out as it is intended to be, with regard to all vessels now in ordinary, the force of workmen can be permanently reduced, and the stock of material to

be kept on hand, subject to deterioration, or becoming antiquated, can be brought to its minimum.

The labor of equipping vessels, especially as regards rigging and sails, is performed at a great disadvantage, owing to the insufficient accommodation and conveniences of the rigging and sail-lofts at most of the navy yards. The sail-loft at Boston, and the rigging and sail-lofts at Norfolk, are the only proper establishments of the kind. The rigging-loft at Boston, particularly, is of insufficient capacity to stretch the rigging of vessels of large size. An estimate is submitted by the Bureau of Yards and Docks for the construction of the necessary buildings, which it is hoped may be granted.

#### WIRE ROPE.

The results of experience in the use of wire rope continue to justify its adoption. Opinion has turned almost universally in favor of it, for the greater part of the standing rigging of vessels. With regard to its adaptation for the lighter rigging, as to which opinion remains somewhat divided, as well as to the best method of manufacture, preparation, and application, experiments continue to be made in practice, and much valuable information is obtained and applied.

#### OPERATIONS OF THE ROPE-WALK AT BOSTON.

The cordage of the navy, of hemp of various kinds, has been almost entirely supplied from the government rope-walk at Boston. But the operations of this establishment would be greatly facilitated by the completion of the tarring house, the estimate for which was stricken from the appropriation under the Bureau of Yards and Docks, at the last session of Congress. The amount for this purpose is again asked for.

There have been purchased during the past year of Russian hemp 336,000 pounds, at a cost of \$67,500; of Manila, none; of American, none; as none has been offered. The supply of the last is now exhausted. Steps have been taken to insure a supply of the Manila hemp of better quality, and at a lower price than heretofore, and to render it independent of the speculations and fluctuations of the American market.

Of hides for rope there have been purchased about 18,000 pounds, at a cost of \$4,234 57.

Of rope from American and Russian hemp there have been manufactured 225,900 pounds, at a total cost, when finished, of \$67,754; of rope from Manila hemp 303,351 pounds, at a total cost of \$55,067; and of hide rope 11,630 pounds, at a total cost of \$11,630.

#### ANCHORS, GALLEYS, ETC.

In respect to anchors, chains, galleys, &c., experiments are also conducted, as opportunity offers, and improvements made, as information, so obtained, indicates them. The operations of the government establishment for their manufacture, at Washington, have been continued, to the extent required to supply deficiencies of such articles.

Decided improvements are needed in this establishment, a full statement of which, by an experienced engineer, is appended to this report, and is urged upon your attention.

An important matter, in this connection, is that of securing the services of a man of the very best ability to conduct the operations of heavy forging. The difficulties to be surmounted in this kind of work

are very great, and are a subject of complaint in every shop of the kind in the country. Proprietors are ever on the look-out for men of ability and experience in overcoming these difficulties, and pay them, without hesitation, liberal salaries. It is certain that the services of a proper person can be obtained only for a much higher salary than is at present allowed. The bureau estimates for the pay which, it is believed, may be an inducement to some competent person to undertake the duties.

#### PURCHASES AND EXPENDITURES.

The purchases and expenditures of the bureau have been governed by a strict regard to economy, and to the use of all stock on hand before procuring additional supplies. In the purchase of canvas and coal, the bureau is frequently embarrassed by the *bids* of persons who are not producers of, or dealers in, these articles especially. Navy canvas is only made to order, and is subjected to a very rigid test and inspection. It is, therefore, more difficult to supply than the canvas used in the mercantile marine. Licensed *general* dealers, either ignorant or regardless of this fact, make offers and obtain contracts, for the supply of the article, at prices at which they find they cannot furnish it, of proper quality. As a consequence, great delays often occur in filling the requisitions made upon them, and work is brought to a stand-still while waiting for deliveries.

In the inspection of coal the standing of the producer and dealer is a matter of importance, as furnishing a guarantee of its quality, and that cargoes are of the same character throughout. Fictitious bids for this article, also, have been a source of delay and annoyance. To avoid these difficulties, it is recommended that the law in relation to contracts be so amended as to prohibit the entertainment of bids made by persons who are not producers of, or special dealers in, these articles respectively.

#### COAL.

A contract has been made for the supply, during the present fiscal year, of fifteen thousand tons of coal at Philadelphia, at five dollars and forty-seven cents per ton.

Proper coal sheds are much needed at several of the navy yards, and should be provided as soon as possible. As a consequence of the steps taken by the department to give all vessels full sailing power, and the orders given for its use, except in cases of necessity, some reduction in the consumption of this expensive article has already been achieved, and a much greater one is anticipated. In view of this fact, the following coal depots have been discontinued, or are to be after the expenditure of the stock on hand at each, viz: Halifax, Nova Scotia, and St. John's, Newfoundland; Cape Haytien; Curaçao; Point à Pitre (Guadeloupe); Lisbon; St. Paul de Loando and Fernando Po, (West coast of Africa); Honolulu, Sandwich Islands.

The saving to the government in this article will be very great; and this alone will compensate, in a short time, for any expenditure in altering spars and sails, to achieve the desired end. But the revival of professional exercises for the crews, and the acquisition of professional experience by those younger officers of the navy who, in consequence of the general reliance upon steam of late years, have not had the opportunity of obtaining it, will be, to the navy, an advantage, whose value, as well as that of others resulting from the release from dependence upon steam alone as a motive power, can hardly be estimated in money.

## NUMBER OF MEN EMPLOYED.

The number of men employed in the navy has been kept within the limit prescribed by law; but only by the exercise of great care, and an amount of clerical labor which is especially onerous, under the recent reduction. When vessels are to be relieved and sent home from foreign stations, if others were to be equipped and manned to take their places, prior to their departure for home, the number of men allowed would be exceeded, for a period of time covering the passage of one vessel to, and the other from, a foreign station—amounting, not unfrequently, to eight or ten months. This excess would be increased by the gradual character of enlistments, whereby portions of crews are often under pay, as part of the allowed force of the navy, long before the remainder are recruited and become a part of its effective force. The same is true with regard to men sent out to foreign stations to re-enforce reduced crews. No such excesses are provided for in the law, as it now stands; and, in order to avoid them, when vessels are to be relieved, they must be sent home and put out of commission before enlistments for the relieving vessel begin. The result is that the naval force which can be kept afloat is much smaller than would appear, by calculating the number of vessels which could be manned from eight thousand five hundred men. And even this force is made still smaller by the subtraction of the crews of receiving-ships, Naval Academy, and practice ships. It happens sometimes that the terms of service of portions of crews do not expire when the vessel to which they belong is put out of commission. Being frequently unable to dispense with the services of these portions, it becomes necessary, in order to avoid delay in filling the complements of other vessels, to send them on another cruise, without even a short leave of absence, and often, thereafter, to detain them beyond the expiration of their terms of enlistment—a growing evil, and one which causes great dissatisfaction among the men, and operates unfavorably on recruiting. Besides, the men so retained, (as is the case now with a considerable number,) receive, by law, an increase of twenty-five per cent. of their previous pay, which, of course, still further subtracts from the number that might be maintained from the sum appropriated.

Voluminous records, returns, &c., showing, at all times, the exact number of men in service, the current enlistments, and the future expiration of terms of service, are required, in order to avoid either exceeding the prescribed limit, or falling so far below it as to delay vessels whose services are needed. The records must be kept, in any event, for the purpose of verifying claims for pay, pension, &c., &c.; and, although they might not be very materially reduced, yet some of the returns, under circumstances of a less rigid restraint to a particular number of men, might not be required so frequently as at present, when the bureau, in order to keep within the law, must have the information for use almost daily. In other respects, also, the law operates disadvantageously and expensively. It is therefore recommended that it be so modified as to allow the temporary excesses which may be necessary to cover the cases referred to.

## RECRUITING.

To the difficulties met with in recruiting men for the navy, the bureau would again refer. The vicious system of sailor boarding-houses, and its connection with and influence upon recruiting for the navy, as well as for the merchant service, have been referred to in my former reports, and are too well known to call for a new description here.

Efforts have long been made by ship-owners, merchants, philanthropists, municipal and State authorities to correct this abuse, and on the part of the government to resist its operation and effects, but without material success; and the navy remains nearly as dependent on it as ever. Even if a man enlists without the intervention of the landlords of these houses, and has no debts for money loaned or board and clothing furnished by them to liquidate, he is still required to have an outfit, which he must draw from the paymaster of the receiving ship, and which being charged to him, constitutes an indebtedness to the government, as the advance allowed does in the former case.

A discouragement to enlistment is thus presented at the outset, and this is aggravated by the man's knowledge that until this indebtedness is canceled he cannot have an hour's liberty on shore, and will have no pocket-money to purchase little comforts which he does not find on ship-board, but will be strictly watched and guarded to prevent desertion. After enlistment the same conditions are a cause of discontent, make his ship a prison instead of a home, and operate as a premium to desertion. If he serves out his term of enlistment, he takes his discharge with a resolve never to re-enlist; and unless he falls into the hands of the landlords, he generally executes his resolve; so that, sooner or later, the landlords are sure to intervene between the sailor and the government, and they will not enlist men without the customary advance, &c.

If, instead of this state of things, men could be furnished, gratis, with an outfit on enlistment, so as not to be deprived, in consequence of their indebtedness, of liberty, and made to feel themselves prisoners; if they could be enlisted for a longer period, so that on their return from a cruise they could be provided with a home on the receiving ship nearest to their place of abode, and thus rendered content with short leaves and a portion of their pay; if they could be made to look upon service in the navy as a constant employment, and upon the government as their guardian and protector; and if they could be made *sure* of the benefits of continued service, it is believed that a great deal would be achieved in the right direction.

It is therefore recommended that each recruit receive, in lieu of all advances, a bounty in the shape of an outfit of clothing, or when this is not needed, an equivalent in money, to be credited to his account; and that he be also furnished with his mess utensils. He will then at once have something to lose, instead of everything to gain, by desertion, and will be made contented by an evidence of regard for his comfort.

It is further recommended that the term for which a man may enlist be extended to twenty years. These provisions, with the new features introduced into the system of advancement in the service, and that of the continuous service certificates recently adopted, (which will then be rendered in fact what they are now only in name,) it is hoped will render possible a more cheerful report in the future. But without some action to associate in the mind of the sailor service in the navy with greater pecuniary advantage, personal comfort, hope of advancement, and certainty of care and protection from his greatest enemies, the landlords, no improvement can be expected.

#### DESECTIONS.

It remains to consider the matter of desertion, which is still a great and embarrassing evil. The measures recommended will, if adopted, undoubtedly do much to diminish it; but it is necessary, in addition, to provide more thoroughly for the punishment of this crime. If ~~former~~

with the necessary comforts on board ship, and encouraged to good behavior, the sailor should not be dissatisfied if the penalties consequent upon misconduct are more rigorously enforced. Under present laws, the time during which a man may absent himself counts, in reckoning his time of service, the same as if he had not deserted; and, in some cases, a man might not render more than two days' service under a three years' enlistment.

It is recommended that the law be so amended that a deserter may be apprehended at any time, no matter how long subsequent to his desertion, and obliged to remain in the service until he has actually served out the full term for which he enlisted. This is the law governing enlistments in the army, and it is found to operate advantageously. It is further recommended that the law in relation to minors be more exactly defined, so as specifically to authorize the enlistment of persons over eighteen years of age, and make the oath of the recruit conclusive as to his age.

#### DUTIES OF, AND LABOR IN, THE BUREAU.

One, and the primary, duty of this bureau is the development of intelligent and progressive systems for the equipment of vessels in the navy, and for the enlistment and organization of the *personnel* necessary to man them; so that, whatever the naval establishment might be in amount, it should be as perfect in its appointments and as little expensive as possible.

The first essential to the attainment of this object is the proper prosecution, in each of its branches, of the correspondence with, and duties relating to, the numerous navy yards, stations, squadrons, and rendezvous, and the collection, from all sources, of useful information. The second is, the preservation and compilation of the records thus made, so that the information and experience acquired may be made available and useful.

The assistance of a sufficient professional and clerical force is therefore indispensable, and the most cursory examination of the variety and importance of the objects and duties which engage its attention and require its intelligent action, will suffice to show that this force should, if necessity, be comparatively large. *It may, and ought to be*, in its professional character, supplied from officers of the navy, who alone can be thoroughly conversant with such of the duties as are connected with their own daily experience. In its clerical character, it should be, to a great extent, supplied from persons in civil life who are trained to business habits, which have not, heretofore, necessarily constituted a part of the education of naval officers.

The first-mentioned portion of this force has never been, until very recently, and then only partially, supplied, and the entire professional work of the bureau devolved on its chief. This is a greater labor than any one person can properly perform, even if the direction of the other labors did not require his attention; but, with the other demands upon his time, anything approaching to a proper satisfaction of these is impossible; to say nothing of the necessity of having an officer conversant with the duties of the bureau, to supply his place in case of illness or necessary absence. Having no professional assistant, no opportunity is afforded him for that personal inspection of the operation of the departments under the charge of the bureau at the various navy yards, so necessary to a proper direction of them, except by neglecting, for a time, his office duties.



The detail, very recently, of one officer for duty in the bureau has, in some measure, overcome this difficulty. But as the commission of Chief of Bureau is a special one, no officer so detailed can, as a mere matter of course, assume the duties in case of the illness or absence of the chief himself; he must be specially designated by the President for every such occasion—a condition materially detracting from the usefulness of the detail, and which should be remedied.

The civil portion of the service has, to some extent, been provided; but the bureau is again compelled to call attention to its insufficiency. This is, in point of fact, two distinct bureaus, with voluminous correspondence and records under each; and under each, the amount of work is quite equivalent, to say the least, to that of any other bureau. The clerical force has always been so inadequate as to almost entirely preclude compilation of the greater portion of the reports and returns, and the copying of the correspondence into the proper record books, leaving the bureau dependent, for reference to its most important letters, for several years after they are written, on "press copies" of them, hastily and often very imperfectly taken at first, and liable to fade so as to soon become quite illegible. Without this correspondence and these records, it would be utterly impossible to comply with the laws in regard to appropriations, accounts, pensions, enlistments, discharges, &c., to follow out the history of any matter under the bureau, or to furnish information required by the Pension Office and other branches of the government, many letters from which are now lying unanswered since the unfortunate reduction in July last.

The necessity for a laborer (the appropriation for whom, though allowed heretofore, was stricken out by Congress) is equally great. There are six apartments to be cared for, cleaned, heated, &c., and other constant work for a porter or laborer. At present this necessary work is performed by a laborer who is paid under another bureau, which has two.

While, therefore, the bureau is able to report that its work has been prosecuted with the utmost diligence, and, fortunately, so as not to retard materially its current operations, it is compelled to recommend, most urgently:

First. That an enactment by Congress be asked for (such as has been heretofore passed in the cases of some other bureaus, whose labors are less than those in either branch of this) authorizing the detail of an officer, not below the rank of commander, for duty in the bureau, to assist the chief in, and in case of his illness or absence to succeed to, his duties, so as to relieve the first-mentioned difficulty.

Second. That, at as early a date as possible, and for at least such period as will suffice to put the records of the bureau in proper condition, the re-establishment of its former clerical force, and an increase over it, as set forth in the estimate herewith submitted, be authorized and appropriated for.

Third. That the former appropriation for a laborer to the bureau be restored.

The efficiency of the bureau would thus be greatly increased. In a short time, the economy of its operations would be promoted to an extent much more than sufficient to counterbalance the small additional expenditure in salaries, and as soon as the work in arrears could be brought up, and the records compiled, a smaller force would suffice to prevent the recurrence of the embarrassments described.

The bureau might add a notice of several plans for the future, such as the preparation of a uniform system of watch and station bills, of seamanship exercises and instruction, and others which it has now

has for a long time had in view, and which will be immediately and substantially forwarded, to the great benefit and improvement of the service, whenever the force will admit. But it ventures to hope that the explanation already made will insure the desired increase at an early day.

I have the honor to be, very respectfully, your obedient servant,

M. SMITH, *Chief of Bureau.*

Hon. GEORGE M. ROBESON,  
*Secretary of the Navy.*

## BUREAU OF NAVIGATION.

BUREAU OF NAVIGATION,  
*Navy Department, October 20, 1869.*

SIR: I have the honor to submit the following report from the Bureau of Navigation for the past year, together with estimates for its support, and for the expenditures that will probably be required in that division of the naval service committed to its immediate charge, for the fiscal year ending June 30, 1871. Included in this report, and transmitted herewith, are the reports and estimates of the Superintendents of the Naval Observatory and Nautical Almanac, and the report of the officer in charge of the Hydrographic Office.

### I. NAVIGATION.

*Navigation supplies.*—The use of lard oil, alluded to in the previous report from this bureau, has proved to be quite satisfactory for illuminating purposes on board ship. No *sperm oil* has been purchased for two years past; and the conclusion appears to be practically reached, that lard oil may be used with about equal efficiency and facility, and with a considerable saving of first cost. Some experiments are also being made with the use of *olive oil* for the same purpose, this being obtained at still cheaper rates than lard oil, at the prices of the past season; but the results cannot be definitely announced at present.

The manufacture of *bunting* appears to be permanently established in this country. With the encouragement afforded by this bureau and other departments of the government, under the authorization of the act of Congress of March 2, 1865, the American bunting now supplied will compare quite favorably in every requisite with the best English fabric. A useful improvement has lately been effected by the same manufacturer, in the making of boat flags, or the smaller sizes of American ensigns. Instead of being sewed up in parts of each color, as formerly made, requiring considerable labor, and resulting in a more or less clumsy flag, particularly when of small dimensions, they are now furnished to the navy *died in pattern*, so as to require but three pieces in making up. They are thus less costly, neater in appearance, and equally durable in fabric and color, while flying more easily in a light breeze. The reproach that we must go abroad for the material of which the national ensign is made, no longer exists.

The treatment of *compasses* and *chronometers* remains the same as stated in the previous report. The means now taken to examine, test, and adjust these instruments, so important to the navigator, not only serves to insure their serviceable condition when issued to our ships of war, but is tending to elevate the standard of their manufacture in this country. It is already gratifying to know, from the results of experi-

ence in their use, that American chronometers, as supplied by our best makers, will compare well in actual service with the best of those obtained from abroad. And a similar opinion may be expressed with respect to American compasses, especially of the most improved form of the *liquid* compass as now made in this country. The increasing testimony for several years past in the quarterly reports from officers afloat, shows that the liquid steering compasses possess adequate sensibility, with the added quality of superior steadiness, and without being any wise deficient in directive power.

Experiments are now being made with liquid *azimuth* compasses of the same maker on board ship, with a view to ascertain their relative fitness for use at sea, in comparison with the dry azimuth compass still in use in the navy.

Efforts are being directed from time to time towards the improvement of the various nautical instruments and apparatus used in the navy. With unimportant exceptions, and then partly as samples of English and French makers, no instruments or apparatus are now imported, although, prior to the war, nearly all our nautical instruments were purchased abroad.

We are still mainly dependent for our charts, sailing directions, and some other nautical publications, upon foreign importation, mainly from England, nearly all of which being issues from the Hydrographic Office of the British Admiralty, a few, however, being obtained from the French *dépôt* of charts in Paris. The necessity for doing this in the equipment of our navy is a reproach to our national independence; while it might be attended with serious inconveniences in the event of national complications, not only to the navy itself but to our whole commercial marine. Some progress is being made through the recent establishment of the Hydrographic Office, towards removing this reproach and the danger alluded to; but it will require a number of years to be completely done, unless the operations of that office can be adequately enlarged by additional appropriations.

## II. HYDROGRAPHY.

During the past summer a hydrographical survey of a portion of the waters bordering on Alaska Territory has been made by Commander R. W. Meade, jr., United States Navy. With these data, and those derived from previous surveys in Behring's Sea and contiguous waters, by Commander (now Commodore) John Rodgers, United States Navy, in 1855, and some from other sources, a directory and chart of the southeast coast of Alaska has been prepared and published for the use of the navy and commercial marine.

Surveys, more or less limited, have also been made during the past year, as opportunities were presented, by different vessels of the Asiatic squadron; from all of which valuable information of portions of the eastern archipelago has been obtained; relative to which region, much of it is too little known, while all is of rapidly increasing interest to American commerce. Several charts with hydrographic notices embodying the results of these surveys have already been published, and issued from the Hydrographic Office.

In all cases, the data transmitted by naval officers as results of these surveys are made available with the least loss of time, by being published for the use of navigators, either in the production of a new chart or in correcting old ones.

Under your recent order to supply all vessels fitting for sea with the necessary apparatus for hydrographical surveying, it is to be hor

that much more may be done by our national vessels, without interference with other duties, in procuring information for the improvement of navigation. Some additional outlay for hydrographical instruments will be needed in order to properly equip the vessels charged with this duty.

### III. NAVAL OBSERVATORY.

The new wooden building for the large transit, for which an appropriation of five thousand dollars was made at the first session of the forty-first Congress, is nearly completed and ready for use.

Some additional apparatus is needed for the meteorological observations, which have so long and regularly been made at the Observatory. The special object in asking for new apparatus is to enable the Observatory to avail itself of the recent improvements in observing, especially in that feature by which the apparatus is made continuously *self-recording*, now so important an addition to the completeness and accuracy of this class of physical observations.

To this recommendation of the superintendent, for which estimates are appended to his report, not being included in the regular estimates of the bureau, your attention is respectfully invited.

It will be seen by the report of the superintendent that much pains were taken to secure widely separated points of observation of the total eclipse of August 7. Not satisfied with sending a corps of observers to Des Moines, Iowa, and Bristol, Tennessee, other observers, with the necessary instruments, were also sent to San Francisco, where, under the authority of the Secretary of the Navy, a vessel of the Pacific fleet was placed at their disposal by Admiral Turner, commanding, for transportation to Behring's Sea. Though but partially successful there, on account of passing clouds, some quite satisfactory results were obtained; while their success on this side of the continent left little to be desired. A full report of results will be submitted as soon as prepared.

### IV. NAUTICAL ALMANAC.

Some progress has been made in extending the advance date of the Nautical Almanac. It is quite desirable, for the convenience of navigators, when fitting for long voyages, that almanacs of at least three full years shall be supplied in advance of date. The English almanac is still somewhat in advance of our own publication. It is hoped, however, that, with the regular continuance of the almanac computations, an equal advance may at least be gained and subsequently maintained for the American almanac.

At the last session of Congress an appropriation of five thousand dollars was made for observations of the total eclipse in August of this year. By a judicious distribution of the considerable number of scientific observers, who volunteered from different parts of the country for co-operation with the Superintendent of the Nautical Almanac, aided by unexceptionable weather, results of unusual completeness were obtained which promise to be of great interest, and a substantial acquisition to science. A full report of the results of these observations is preparing for publication.

### V. HYDROGRAPHIC OFFICE.

The report of the officer in charge of the Hydrographic Office exhibits the operations of that office during the past year. An increased atten-

tion is given to the chart rooms, with a view to maintaining a full supply of all needed charts, as soon as published, whether by this office or by foreign governments, and to keep them, through all accessible means, *corrected to date*.

It will be seen, by reference to that report, that a considerable number of charts, from new and revised plates, have been published during the past year.

As already alluded to under a previous head, it is highly desirable that the operations of this office should be expanded, so far at least as to provide for a steady and more rapid advance towards the complete emancipation of our naval and commercial marine from the present dependence on foreign sources of supply for their charts and sailing directions. An appropriation of a few thousand dollars, additional to that now made, would probably enable this work to go on as rapidly as would be expedient consistently with the requisite care in revision and in the incorporation of new material.

The estimates for the support of the Hydrographic Office are comprised in the fourteenth specification of the general estimates, No. 2, for *navigation and navigation supplies*.

#### VI. THE NAVAL SIGNAL SYSTEM.

It being proposed to adopt the army code of signals which was found so useful in communicating between the two branches of the service during the war, for general use, in connection with the present naval signal code, Commodore S. P. Lee was placed in charge of that department, and is now making arrangements with General Myer, chief signal officer of the army, for the proper teaching and organization of a signal corps in the navy, similar to that now so successfully employed in the army. The new signal book is now in the hands of the printer.

#### VII. NAVAL APPRENTICES.

The utter failure in the object sought, namely, to improve the class of enlisted seamen by "*the introduction of thoroughly drilled and educated apprentices in the navy*," is due, primarily, to the fact that when the result of the annual examination for the admission of ten, out of about five hundred, to the academy, was known, the remainder naturally became dissatisfied and took no further interest in learning the duties of seamen, and deserted in large numbers. While an apprentice system may work well in any of the older countries, overburdened with population, like England and France, the inducements in most of the other walks of life in our own are so great, that the life of a common sailor is generally looked upon as the last to be chosen.

The bureau is of the opinion, in harmony with that expressed by the chief of the Bureau of Equipment and Recruiting, that the law in relation to the enlistment of minors should be more exactly defined, so as to specifically authorize the enlistment of persons over eighteen years of age, and make the oath of the recruit conclusive as to his age.

The following statement exhibits the number of apprentices during the past year:

Number on board apprentice ships September 30, 1868 .....	197
Number on board cruising ships September 30, 1868 .....	271
Total number .....	468

Discharged or deserted since September 30, 1868..... 2

Number on board receiving ship September 30, 1869 .....	19
Number on board cruising ships September 30, 1869 .....	236
Total number now in service.....	245

I am, sir, very respectfully, your obedient servant,  
**JAMES ALDEN,**  
*Chief of Bureau.*

**Hon. GEORGE M. ROBESON,**  
*Secretary of the Navy.*

UNITED STATES NAVAL OBSERVATORY,  
*Washington, September 25, 1869.*

COMMODORE: I have the honor to present the following report of the operations of this establishment for the past year, with estimates, also, of the amount required for its support for the fiscal year, ending June 30, 1871.

ASTRONOMICAL WORK.

The equatorial instrument, in charge of Professor Asaph Hall, United States Navy, was employed, as in preceding years, in the observation of asteroids, occultations, comets, &c., until the first of May last, at which time Professor Hall was detailed by the department and ordered to Behring Strait, to observe the total eclipse of the sun of the 7th of August, and the work of the instrument was temporarily suspended. It will be resumed on the return of that officer, now daily looked for.

In view of the comparatively small size of the equatorial telescope, and its inferiority to many of its kind in this country, there is among those acquainted with the wants of the Observatory a strong desire that it might, as an important national establishment, be furnished with the best instruments that can be procured; and, sharing in this desire, I am induced to repeat here the recommendation on the subject in my report of last year.

"At the present time the deficiency of the Observatory, which would be noticed with most surprise, is the absence of a telescope at all comparable with many owned by colleges, observatories, and private individuals throughout the country. This will seem the more remarkable since the most successful living constructor of telescopes is an American—Alvan Clark, of Cambridge, Massachusetts. Mr. Clark has constructed not only nearly all the best instruments lately erected in America, but some of the finest in Europe. It is understood that he has been for some time desirous of receiving an order for the largest refractor in the world; but the great cost—\$40,000 in gold—has hitherto deterred individuals from giving the order. But it seems eminently desirable and proper that the government of the United States should employ at its Observatory such an instrument of the highest power. Considering that any smaller instrument than that proposed would soon be superseded, that several institutions of learning in the country are endeavoring to procure one of this high character, and considering that not more than one such can probably ever be undertaken by Mr. Clark, it will be seen that delay endangers our being able ever to command it. As the construction of the instrument will occupy some four years, it is not necessary that more than one-fourth of the cost should be appropriated in any one year."

Impressed with the conviction that the opportunity thus offered should be availed of by the government, I recommend that Congress be asked to make an appropriation of forty thousand dollars, and the superintendent of the Observatory authorized to contract with Mr. Clark, in that sum, for the finest instrument that eminent artist is capable of producing; the amount so appropriated to be paid in four annual installments, each of ten thousand dollars, (gold.)

*Transit circle.*—This instrument has been in charge of Professor Simon Newcomb, United States Navy, who has also superintended the erection of the new wing of the Observatory.

In my last annual report, the very grave defects of the observing room, in which this instrument was mounted, were set forth, and an appropriation of five thousand dollars to build a new one, with a proper foundation for the instrument; was recommended.

The requisite appropriation was made by Congress, and in April last proposals to build the wing were duly advertised for, and work was commenced about the end of May. It is now nearly completed.

The architectural qualities of the new room have not yet been tested, but there is no doubt that for purely astronomical purposes it is the best meridian observing room in the world.

Of the five observers employed with the instrument at the date of my last report, one, Professor Eastman, was transferred to the east wing in January last, another, Professor Harkness, has been disabled from observing by ill health during a large part of the year; and the junior aid had not sufficient experience to make the more difficult observations. Observations have therefore been generally confined to the more necessary ones, namely, those of the sun, moon, larger planets, and fundamental stars.

The work of copying the observations from the note-books for the press has been done by Captain Whiting and Professor Beecher.

In June last the instrument was dismounted to allow its piers to be used in the new wing. The work of remounting it is about to commence.

Certain defects have been found to exist in the object glass of this telescope, which can only be removed by re-grinding, and I have accordingly asked for an appropriation for the purpose.

*The transit instrument and the mural circle* have continued in charge of Professor M. Yarnall, United States Navy, who was assisted in the work of the former instrument, from the 1st of January until the 1st of July, by Professor J. R. Eastman, United States Navy, and after that time by Mr. Edgar Frisby, "aid."

These instruments were employed in observing stars whose places were wanting either in right ascension or declination, for the general catalogue; and since the dismounting of the transit circle, in observing the moon and such of the planets as came to our meridian.

The observers were engaged with the transit instrument for a few nights in exchanging time signals for difference of longitude between Washington and Des Moines, Iowa, and between Washington and Bristol, Tennessee; the results of which will presently be stated.

Mr. M. H. Doolittle, the senior assistant observer or "aid," has had charge of the mural circle, under direction of Professor Yarnall, and is especially commended for industry by that officer. He was assisted after the first of May by Mr. F. W. Bardwell, "aid."

Professor Yarnall has been engaged, during office hours, in reducing and preparing for the press the transit observations of 1868, which remain only to be copied on sheets, when they will be ready for publication. He has also been engaged in collating and preparing stars for publica

tion in the general catalogue, the epoch of the catalogue (1860) being different from that (1870) to which the current observations are reduced.

The observations to be made with the transit instrument, for the catalogue, are now nearly completed, as far as observing is concerned, but much time will be needed to finish the reduction of the observations and transfer them to the catalogue.

The observations with the mural circle are not so nearly finished, and exclusive attention will be given to that instrument after such observations as remain to be made with the transit instrument shall have been finished.

*Meteorology.*—Professor Eastman has had the supervision of the meteorological observations made during the year.

The instruments used are a mercurial barometer, dry, wet-bulb, and solar thermometers, rain-gauge, and wind-vane; also a mercurial barometer, by Green, of New York, employed as a *standard*, and two registering thermometers indicating maximum and minimum temperature.

The observations have, as usual, been made every three hours, night and day, by the watchmen, Messrs. Hays, Horigan, and Cahill, under the direction of the officer in charge of the work.

Owing to more pressing duties, only the observations for 1867 have been prepared for the press during the year, which was done with the assistance of Professor Nourse.

I have submitted an estimate for the purchase of certain meteorological instruments, with which it is desirable to furnish the Observatory.

*Chronometers.*—The labors of the officers on duty in the chronometer department have been unremitting, and when it is considered that all the ships of the navy, going to various parts of the world, are supplied with chronometers from this establishment, the importance of these labors can hardly be overrated.

The system of keeping a complete record of all the chronometers has been continued, and the late increase of officers, so much wanted heretofore, has enabled us to make satisfactory progress in the history of all the chronometers from the earliest period possible.

Commander William N. Jeffers was ordered on duty here in December last, and took charge of the chronometers, relieving Commander A. W. Johnson, who was detached the same month.

The following officers have also been on duty, as assistants in this department: (1868,) Lieutenant Commander J. H. Sands, from 19th September to 31st December; (1869,) Lieutenant Charles J. Train, from 1st January to 30th April; Lieutenant Commander E. J. Dichman, from 1st May, (under orders to Naval Academy, on 1st October;) Commander J. Young, from 15th May; Commander W. C. West, from 22d May; and Lieutenant Commander J. H. Sands, from 28th July.

It is desirable that at least three of the grade of officers who are to be navigation officers at sea, should serve at least one year each at the observatory, to become conversant with the care of chronometers and the requirements of the Observatory, in the correct record of their performance.

In order to increase the knowledge of thermometric laws, and to enable the navigator of each ship to keep an exact record of the temperature of the chronometer-room on shipboard, a registering thermometer, previously carefully compared with the standard, is sent with each issue of chronometers to every ship.

It is a matter of gratification to be able to inform the bureau that the chronometers manufactured in this country are superior, in point of



finish and appearance, to the instruments made abroad, and in point of accuracy, our home-made instruments are equal to the best and superior to the ordinary foreign chronometers. For the observation of the time of the solar eclipse, for which the greatest possible accuracy and regularity of rate was required, chronometers were used made by T. S. & J. D. Negus, of New York.

The number of chronometers now on hand in the receiving cases is one hundred and nine, (109,) of which nearly all are ready for immediate issue. They are wound daily at noon, and compared with a standard clock keeping mean time, the error of which is ascertained every five days; and every ten days the error and rate of each chronometer are computed and entered in the rate books; from which the performance of any chronometer can be obtained at any time. Upon return from sea, each instrument is carefully examined, and, if found defective, is sent to the chronometer-maker for cleaning or repairs.

Every day a time-ball is dropped at the exact moment of mean noon, by means of an electrical connection, giving the exact time to Washington and the surrounding country.

#### TELEGRAPHIC APPARATUS AND CONNECTIONS.

The electro-magnetic and telegraphic apparatus connected with the Observatory is under the charge of Professor William Harkness, United States Navy, assisted by Mr. W. H. Gardner, the instrument-maker, and has worked well.

There are three lines of telegraph running out of the building. The first line runs to the Navy Department, where it controls a clock, which is made to beat in unison with the marble-case mean time clock of the Observatory, by means of the apparatus invented by Mr. R. L. Jones, of Wolverhampton, England. Correct time is thus furnished to the department, the working of the apparatus continuing in all respects satisfactory.

The second line of telegraph runs to the Washington Fire-alarm Telegraph Office. It puts us in connection with the fire-bells, and is used to furnish correct time to the city by striking them daily at seven a. m., twelve m., and six p. m.

The third line of telegraph belongs to the Western Union Telegraph Company, and is a loop from the wire which they designate as No. 7 south. By means of it are distributed the time signals which serve to regulate the clocks of nearly all the railroads in the southern States. They are sent during the four minutes between 11.57 a. m. and 12.01 p. m. as follows: Daily to the Baltimore and Ohio railroad, Baltimore City, and the other principal cities on their line, as far as New Orleans.

By the kindness of the Western Union Telegraph Company, we have had the free use of their wires to determine the longitude of four points during the past year.

At the request of the Spanish government time signals were, between September 8 and September 21, 1868, exchanged on four nights with Lieutenant C. Pajazon, of the Spanish navy, stationed in the arsenal grounds at Havana, Cuba. These signals place the station

$$0^h \ 21^m \ 12.58^s \pm 0.035^s$$

west of center of dome of this Observatory.

On the night of April 7, 1869, time signals were exchanged with United States Coast Survey party stationed at Staunton, Virginia.

On five nights, between July 26 and August 7, time signals were exchanged with the observatory party sent to Des Moines to observe the eclipse of August 7. These signals place the station at Des Moines

$$1^h 6^m 16.05^s \pm 0.05^s$$

west of center of dome of this Observatory.

On three nights, between July 29 and August 7, time signals were exchanged with a United States Coast Survey party, stationed at Bristol, Tennessee, and the result is that their station was

$$0^h 20^m 32.74^s$$

west of center of dome of this Observatory.

#### THE TOTAL ECLIPSE OF THE SUN OF AUGUST 7.

Early in spring preparations began to be made here for the observation of the total eclipse of the sun of the 7th of August, an event of rare occurrence, and, from the important results to be derived from accurate observations, exciting among astronomers the liveliest interest.

The first party sent out from the Observatory consisted of Professor Asaph Hall, United States Navy, and Mr. Joseph A. Rogers, of the Hydrographic Office, who were detailed by the department early in May, and ordered to proceed to Behring Strait, to a station there to be selected. The party reached San Francisco in June, and sailed on the last of that month for the strait in the United States steamer *Mohican*.

Accounts from San Francisco inform us that the expedition arrived at Plover Bay in ample time, and that every preparation was made for the observations, which were only partially successful on account of the obscuration of the sun by clouds during the time of the eclipse. I feared this from the first, but observations at that location were so important as to prompt us to risk the chance of failure.

On the 14th of June the department also detailed Professors Newcomb, Harkness, and Eastman to proceed to Des Moines, Iowa, a point on the line of totality, and select a suitable station for the purpose of observing the eclipse.

Mr. Bardwell, aid, was sent to Bristol, Tennessee, for observations at that point.

Surgeon General Barnes kindly detailed Assistant Surgeon Brevet Major Edward Curtis, of the army, a gentleman skilled in photography, to accompany our Des Moines party. Previous to their departure, a little temporary frame building was erected in the grounds, as a practice observatory for photographing, &c., in which was mounted the equatorial telescope of the Naval Academy, kindly loaned by Vice-Admiral Porter, for observations of the eclipse. Arrived at Des Moines, the party selected stations, set up their instruments, and made all the needful preparations.

The weather on the day of the eclipse was favorable, and the observations were most successfully made.

The officers of the expedition, since their return to the Observatory, have been engaged upon their reports, the preparation of which involves some labor; and it will yet be some days before they are finished. The results will prove highly interesting to the scientific world, and, showing the large share the Observatory has had on this important occasion, will sustain the reputation the institution has already attained.

#### THE LIBRARY.

The library is in charge of Professor J. E. Nourse, United States Navy. The annual volume of astronomical and meteorological observations for

the year 1866, forming a quarto of 472 pages, issued from the government press in May last. The distribution of these volumes was begun on the day of their delivery to the Observatory. Five hundred copies in all were published. The demand for the observations by observatories and other scientific institutions, and by individuals, has left on hand a smaller number than ought justly to be reserved for the future supply of new observatories and institutions. The number of copies has been, therefore, increased for the volume now in press.

The Observatory is again indebted to the kind offices of the resident foreign legations, the Department of State and the Smithsonian Institution, for the safe and prompt delivery of the volumes sent abroad. The calls continue for the separate reports upon the meteoric shower of November, 1868, the West India cyclone of 1867, and upon the routes for inter-oceanic canals and railroads.

The additions to the library, through its exchanges with other institutions, and with individuals eminent for scientific research, at home and abroad, have been of a very valuable character, and are still steadily increasing in number.

In case of a vacancy in the number of professors attached to the Observatory, the law of April 17, 1866, prohibiting the further appointment of professors of mathematics in the navy, would cripple the Observatory to supply his place without further legislation.

I would suggest some modification of the law in regard to the professors at the Observatory, who are the astronomers and observers; and further to provide an increase of pay for every five years of service at this institution, in that capacity, as compensation for faithful and efficient service, and to hold out some inducement or promotion to retain an efficient corps of astronomers.

In speaking of the work of the Observatory, I must not omit to commend the three assistant observers or "aids," allowed by law to the Observatory, for their zeal, intelligence, and industry, in performing all the duties assigned them. These gentlemen, before being appointed, were required to undergo a strict examination as to mathematical attainments and knowledge of general science, and to prove their fitness for appointment by a high standard. They are frequently required to perform the duties of observer as well as computer, the more experienced observing on alternate nights with the professors. Considering, therefore, the value of their services, I earnestly recommend a small increase of the pay of the three assistant observers or "aids." They now receive at the rate of \$1,333 33 each, per annum; (\$4,000 for the three.)

I recommend that their pay be graduated or classified as follows:

First aid or assistant observer.....	\$1,600 per annum.
Second aid or assistant observer.....	1,500 per annum.
Third aid or assistant observer.....	1,400 per annum.

The rewarding of meritorious service, wherever and by whomsoever performed, is a just principle, always recognized and observed by our government when a proper occasion for its exercise is presented. I believe the recommendation above affords such an occasion, and I hope it will meet with favor.

Very respectfully, your obedient servant,

B. F. SANDS,

*Commodore, Superintendent.*

Commodore JAMES ALDEN, U. S. N.,

*Chief of Bureau of Navigation, Navy Department.*

*Special recommendation for the purchase of registering meteorological instruments, and the erection of a tower for mounting them, and for the purchase of a mean-time clock.*

For 1 barometer.....	\$300
For 1 thermometer.....	300
For 1 anemometer, with registering apparatus.....	125
For 1 wind-vane.....	75
For the erection of tower.....	3,200
For 1 mean-time clock.....	400
	<hr/>
	4,400

Respectfully submitted.

B. F. SANDS,  
*Commodore, Superintendent.*

NAUTICAL ALMANAC OFFICE,  
*Washington, D. C., September 22, 1869.*

SIR: I have the honor to submit the following report of the work of this office during the past year, together with estimates for the fiscal year ending June 30, 1871:

The chief work to be done and the methods by which it is accomplished, and the principal duties of the office, continue substantially the same from year to year.

The small almanac for 1871, prepared for the use of navigators, was printed and ready for distribution in February last; and the complete ephemeris for the same year in August.

Nearly all the ephemeris for 1872 is completed, and in the hands of the printer; the small almanac for that year will be out before December.

The ephemeris of the sun and part of that of the moon, for 1873, are completed, and considerable progress has been made in other portions of the volume for that year. But the reduction of the appropriation for the last fiscal year has delayed the work, so that the desired advance has not been accomplished.

The tables for facilitating the reduction of places of the fixed stars, which have been used in manuscript for several years, have been completed and printed, and will afford valuable aid to astronomers in future work.

Two supplements to the ephemeris of 1869, giving respectively tables and formulæ for predicting the times and phases of the solar eclipse, on August 7, for any place, and suggestions for observing the eclipse, have also been published; also, a supplement to the ephemeris for 1870, containing tables of occultations of stars by the moon which are visible in the territory west of the Mississippi River.

This office contributes the ephemeris of eight only of the one hundred and eight small planets which have been discovered between the orbits of Mars and Jupiter. It is very desirable that American astronomers should provide for a much larger number of them.

The work of revising the elements and the tables of the four larger planets, proposed and commenced by Professor Peirce, has made some progress under the supervision of Professor Winlock, formerly superintendent of this office, and the first stage completed. It is hoped that more may be accomplished during the present fiscal year, although only a part of the time of two assistants can be devoted to this work.

The revision of the tables of the moon, becoming each year more necessary to the accuracy of a large part of the ephemeris, continues

suspended. A special appropriation of \$5,000 a year would be needed to undertake it with any reasonable prospect of completion.

Nearly six thousand copies, chiefly of the small ephemeris, have been sold during the year, indicating an increasing demand for the work. The large ephemeris is supplied to the ships and stations of the navy, and distributed to observatories, astronomers, and to colleges and other institutions whose professors are engaged in astronomical work.

The total eclipse of the sun, on the 7th of August, was a phenomenon of special interest, attracting the attention not only of astronomers, but the cultivators of other branches of science. The appropriation for observations of this eclipse, aided by the great liberality of the trustees of the Pennsylvania College, at Gettysburg, the Philadelphia Central High School, and the University of Pennsylvania, at Philadelphia, in granting the use of their valuable telescopes; and of the Pennsylvania Central, the Pittsburg, Fort Wayne and Chicago, the Chicago, Burlington and Quincy, and the Burlington and Missouri railways, in granting free transportation for observers, assistants, and instruments, enabled me to provide for observations at Burlington, Mt. Pleasant, and Ottumwa, Iowa, near the central line, and at Kewanee, Illinois, and Monroe, Missouri, near the limits of shadow.

The weather at all these stations was remarkably and unexpectedly fine, and the operations of the several parties eminently successful. These will constitute the subject of a special report.

The rich materials contributed, especially in photography, by the parties organized by Professor Henry Morton, of Philadelphia; in spectral analysis, by Professor C. A. Young, of Dartmouth College; and in general observations and notes and descriptions of the corona, by Dr. B. A. Gould, well deserve publication commensurate with their value.

I am, very respectfully, your obedient servant,

J. H. C. COFFIN,  
*Professor Mathematics United States Navy,  
Superintendent of Nautical Almanac.*

Commodore JAMES ALDEN, U. S. N.,  
*Chief of Bureau of Navigation.*

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HYDROGRAPHIC OFFICE,  
*Washington, D. C., October 9, 1869.*

SIR: I have the honor to submit to the bureau the following report of the operations of this office during the past year:

#### CHART ROOMS.

The activity of foreign governments, especially of the British government, in the work of surveys, has rendered necessary the importation of a large number of British admiralty charts, in order that the charts supplied to our government vessels should be up to date. A careful inventory of the charts in the British admiralty chart-room has been taken, and their dates compared with the latest catalogue; wherever a chart of later date has been required, it has been ordered from the admiralty publisher, and our government vessels will thus have the benefit of the latest foreign publications.

The British admiralty chart-room being thus supplied with the latest publications, it has been the effort to suppress the issue to navy vessels.

of all French charts which are covered by English publications, and by this means it is expected to reduce the number of charts now issued to each vessel, without impairing the practical value of her supply.

The additional force of officers allowed during the past year to this office has permitted this work to progress rapidly, and it is believed that in the course of two months the shelves in the British admiralty chart-room will be fully supplied with the latest publications.

The work of keeping the charts on hand corrected to date will require the constant attention of assistants, and I recommend that the officers assigned to this duty should not be changed more frequently than may be rendered necessary by the exigencies of the service.

In addition to the work in the chart-rooms, already mentioned, the work of disposing of the charts that were used during the rebellion has been accomplished; the boxes containing these charts had accumulated in large numbers, but have all been unpacked and the charts properly disposed of.

#### HYDROGRAPHIC NOTICES.

These notices are published at the time of the discovery of new rocks or shoals, and as guides for the navigation of localities which are imperfectly known. Several notices have originated from this office during the past year. Those published by foreign governments have been communicated to this office and republished. As the information is received it is entered on the charts to which it applies, and is communicated to our squadrons abroad, and to all prominent dealers in the country, to the Chambers of Commerce, and to others interested in nautical matters.

The number of notices of this description that have been issued from this office during this year (original and re-published) is twenty seven.

#### NOTICES TO MARINERS.

These notices, subject to the same system of exchange with foreign governments as the hydrographic notices, refer especially to changes made in lights and buoys, and are utilized in the same manner as the hydrographic notices, by being entered on the charts. These notices from abroad are republished by the Light-house Board, and this office is supplied with copies, which are distributed in the same manner as are the hydrographic notices.

By means of the hydrographic notices and notices to mariners, the charts are kept up to date during the year, and if on the issue of the new year catalogue it is found that the corrections have been so extensive as to cause a new chart to be issued, it is imported and substituted for the old one.

#### PUBLICATIONS OF CHARTS.

During the past year the work of correcting the plates purchased by the Navy Department from Messrs. E. & G. W. Blunt has been pushed forward rapidly. The charts formerly issued by this firm were in very general use by our merchant marine, and their transfer to the government carried with it the responsibility of their issue to this important class of navigators. Before issuing them, however, with the authority of a government publication, it was found necessary to correct them; this work has been pushed forward with great vigor, and I am happy to

report that, with the exception of three sheets of the West Indies series, they are all ready for issue.

These publications, together with all original publications of the office, are sold to dealers at the rate prescribed by Congress, namely, the price of paper and printing, and thus these valuable charts are placed in the hands of the masters of our merchant vessels at a very small expense to them.

The following list of charts indicates the work done during the past year in this division of the duties of this office.

*Republications corrected to latest dates.*

- No. 16. East Coast of North America, sheet 1. Cape Canso to Shagrock Point, with plan of Halifax Harbor.
- No. 17. East Coast of North America, sheet 2. Shagrock Point to Penobscot Bay, with plan of Rockport Harbor.
- No. 19. Bahama Banks and Gulf of Florida, sheet 1, eastern part.
- No. 22. North Atlantic Ocean, sheet 2, eastern part.
- No. 20. Bahama Banks and Gulf of Florida, sheet 2, western part.
- No. 31. Gulf of Mexico, West Indies, and Caribbean Sea, sheet 1.— Crooked Island and Mariguana Passages; Caicos and Silver Banks, with plans of approaches to Cardenas, and anchorage of Cay Frances.
- No. 21. North Atlantic Ocean, sheet 1, western part.
- No. 41. Northeast Coast of South America, from the Orinoco River to San Joao Island.
- No. 23. South Pacific Ocean, sheet 1, eastern part, and South Atlantic Ocean, sheet 1, western part.
- No. 33. Gulf of Mexico, West Indies, and Caribbean Sea, sheet 3. Gulf of Mexico, west coast from Sabine Pass to Mt. Gordo.
- No. 29. Coast of Brazil, sheet 2. Pernambuco to Bay of Espiritu Santo.
- No. 24. South Atlantic Ocean, sheet 2, eastern part.
- No. 42. Indian Ocean, sheet 1, eastern part.
- No. 32. Gulf of Mexico, West Indies, and Caribbean Sea, sheet 2. Bahama Banks, Gulf Coast of the United States to Sabine Pass, with Cuba and north part of Yucatan.
- No. 30. Coast of Brazil, sheet 3. Bay of Espiritu Santo to entrance of the Rio de la Plata.
- No. 43. Indian Ocean, sheet 2, western part.
- No. 28. Coast of Brazil, sheet 1. San Joao Island to Pernambuco.
- No. 26. Great Bahama Bank from Great Isaac to 23° 40' north latitude.

*New publications.*

- No. 221. The Sandwich Islands, with islands and reefs to the westward. By Captain William Reynolds, commanding United States steamer Lackawanna.
- No. 222. Harbor of Topolobampo, Sinaloa, Mexico. By Commander W. T. Truxtun, commanding United States ship Jamestown.
- No. 224. Ping Yang Inlet, Korea. By Commander J. O. Febiger, commanding United States steamer Shenandoah.
- No. 28. Harbor of Ceira, Brazil. By Commander E. Simpson, commanding United States steamer Mohican.
- No. 225. Southeast Coast of Alaska, Alexander Archipelago. British Admiralty Chart No. 2431, Cordova Bay to Cross Sound; corrected from surveys by Commander R. W. Meade, jr., commanding United States steamer Saginaw.

*In the engraver's hands.*

- No. 226. Approaches to Ta-Tong River. By Commander R. W. Sheffield, commanding United States steamer Wachusett.
- No. 227. Hiogo, Gulf of Osaka, and Akasi Straits, from British Admiralty chart, with additional surveys, by Commander S. P. Carter, commanding United States steamer Monocacy.
- No. 36. Gulf of Mexico, West Indies, and Caribbean Sea, sheet 6. San Domingo, Windward Islands, and Spanish Main.

*Preparing for publication.*

- No. 34. Gulf of Mexico, West Indies, and Caribbean Sea, sheet 4. Coast of Vera Cruz and Tabasco, with plans of Anton Lezaido, Aguedilla, Port of Vera Cruz, and Harbor of Jacquemel, with views.
- No. 35. Gulf of Mexico, West Indies, and Caribbean Sea, sheet 5. Bay of Honduras to Cartagena, Jamaica, Pedro Bank, and south side of Cuba, with plans of Limon Bay, Harbor of Port-au-Prince, and Puerto de Guanica.

## NAUTICAL BOOKS. . .

During the past year the following bureau publications have been issued through this office:

Rule of the Road at Sea.

Barometer, Thermometer, Hygrometer, as Weather Guides.

Ship's Compasses, including the subjects of Binnacles and Swinging Ship.

Alaska Directory.

These books are compilations from various sources, and are issued in a form that will prove useful and instructive to navigators. They are distributed to the navy, and are supplied to dealers at a price approximating to that of paper and printing.

## INSTRUMENTS.

The work of repairing compasses, sextants, octants, and spy-glasses, has progressed as rapidly as could be expected with the small force that is employed. The force is sufficient for the current work of the navy, but the accumulation of damaged instruments, returned to this office after the rebellion, is so great as to compel me to recommend that more force should be employed in this division of the office work.

## CONCLUSION.

Form-books for surveyors have been prepared at this office, and are now ready for issue to the navy; and, in concluding this report, I respectfully ask the attention of the bureau to the necessity of making surveys abroad. Some good work has been done by the present Asiatic squadron on the unknown coast of Korea, and we have the satisfaction of seeing the names of the Shenandoah and Wachusett as pioneers on this virgin coast; but much information is wanted on the subjects of reported dangers in the Pacific Ocean, even in the track of vessels bound to our own coast. The increasing interests of the United States



in this region render it a national duty to subject these waters to a thorough exploration.

Very respectfully, your obedient servant,

E. SIMPSON,

*Commander U. S. Navy, in charge of Hydrographic Office.*

Commodore JAMES ALDEN,

*Chief of Bureau of Navigation and Office of Detail.*

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## BUREAU OF ORDNANCE.

BUREAU OF ORDNANCE,

*Navy Department, October 23, 1869.*

SIR: I have the honor to submit the annual report of the Bureau of Ordnance, together with its estimates for the fiscal year ending June 30, 1871.

The expenditures during the current year have been confined to the ordinary requirements of the service, in preparing the batteries of ships ordered to sea, and in the repairs and preservation of the stock of materials and buildings at the navy yards and stations.

Under authority of the department my predecessor directed a board of survey upon all cannon and ordnance stores at the northern navy yards, which had deteriorated to such an extent as to be no longer serviceable, with the view of disposing of them at public sale.

This duty has been most thoroughly performed during the summer, and a lot of old material has thus been disposed of at New York, amounting in the aggregate to thirty thousand five hundred dollars, (\$30,500.) The condemned stock at the other yards will be sold in like manner, and the proceeds deposited in the treasury to the credit of navy ordnance according to law.

At present the bureau has but one existing contract, viz, for two thousand (2,000) barrels of cannon powder, made necessary by the depletion of the magazines in supplying vessels ordered to sea during the spring and summer.

No cannon of any description are being made for the navy, there being a stock of all calibers on hand sufficient to supply immediate wants, excepting 15-inch, and in the estimates submitted I have inserted an item for thirty (30) guns of that calibre.

The manufacture of howitzers of 430 pounds has been found necessary to arm the boats now built for the navy, which are too sharp to afford buoyancy enough to carry the heavy guns of 750 pounds. These latter, however, can easily be carried by the launches of large ships.

Some modification of the iron broadside carriages has recently been made, which the bureau believes will overcome all the objections which have been urged against them; and these modifications will be applied to all the carriages in service as rapidly as possible. Pivot carriages of iron for the 11-inch guns will also be added in the armament of ships—two of this class being now under construction at the Washington navy yard for the Nipsic and Kansas.

I beg to call the attention of the department to the item in the estimates submitted for a new nitre depot, which I have briefly explained in the appended remarks. The files of the bureau afford abundant information to enable the department to decide intelligently upon this subject, which is of vast importance to the country, and deserves the serious consideration and favorable action of Congress.

I also respectfully refer the department to the question of additional magazines for the navy, to be located in the interior of the country away from the neighborhood of large cities or towns, but adjacent to railways or water communication with our principal stations. This subject has already been presented to Congress, and an official report made to the Senate by a commission duly appointed by act of Congress. It is, however, respectfully suggested that the attention of the naval committees be again called to this important matter, in order that some action may be taken at an early day. The data necessary to enable the bureau to act promptly is already collected, so far as the details of construction and equipment of the magazines is concerned.

The board on breech-loading muskets for the navy, which was organized by my predecessor under authority of the department, has nearly completed its labors and will shortly make its report to the bureau.

The board has not confined its trials to any particular kind of arm or style of breech-loading, but has carefully and systematically examined all systems that have been presented. It is believed that good results will be obtained from this investigation, and I shall take pleasure in submitting the report to the department as soon as it is received from the board. I have also included in the estimates a small item for experimental purposes, which I trust Congress will allow. The interests of the country demand that every new improvement in ordnance should be carefully investigated in order that we may keep pace with other nations in the preparation for battle. To neglect so manifest a duty will be fatal in an emergency, and this may arise when least expected and without affording time or means for preparation.

The order of the department directing the preliminary arrangements to be made for the establishment of a torpedo corps has been obeyed to the extent of occupying Goat Island, in the harbor of Newport, Rhode Island, and erecting thereon temporary structures for magazines and workshops.

The sum asked for the further extension of the contemplated system has been carefully computed by the officer assigned by the department as the head of the corps, and, in the judgment of the bureau, is needed for the very important objects to be attained.

That the torpedo is destined to be used by all nations in future wars is certain; and this not only for special work in guarding rivers and harbors, but also in the active operations of battle on the high seas. It is therefore our duty to keep pace with other maritime powers in everything relating to the development and use of this dangerous and destructive element of warfare.

In conclusion, I beg leave to draw the attention of the department to the estimates for the support of the bureau.

Congress, in making appropriations for the present fiscal year, refused to provide for more than one clerk (at \$1,400 per annum) besides the chief clerk. The result has been of serious detriment to the public service.

I have asked for four clerks, besides the chief clerk, as hitherto provided by law. It would, however, be highly beneficial to the public interests and enable the bureau to perform its duties more satisfactorily if Congress can be induced to authorize at once the re-employment of the number of clerks hitherto employed in the bureau.

I have the honor to be, with high respect, your obedient servant,  
**A. LUDLOW CASE,**  
*Chief of Bureau.*

**Hon. GEORGE M. ROBESON,**  
*Secretary of the Navy.*

## BUREAU OF YARDS AND DOCKS.

NAVY DEPARTMENT, BUREAU OF YARDS AND DOCKS,  
*Washington, D. C., October 1, 1869.*

SIR: In obedience to your order of the 2d instant, I have the honor to submit the annual report of operations at the several navy yards during the fiscal year ending 30th June, 1869, and coming under the cognizance of this bureau, together with estimates for improvements, repairs, &c., for the fiscal year ending 30th June, 1871.

The report of the board of naval officers of high rank, assigned by the department to the duty of examining and reporting upon our navy yards and to recommend improvements, has not yet reached me. The subject is one requiring great consideration, and the report, when received, will be of great value as an embodiment of a well-digested and sufficient plan for the improvement of our navy yards, which are now so inadequate to meet the necessities that a war may at any time impose upon us.

No appropriations have been made by Congress for the improvement of the navy yards during the past three years, and but comparatively small amounts for the preservation and repairs of the large amount of property contained in them. As a consequence, the operations upon many important works of improvement have been suspended and they have sustained the usual injury, and yet remain incomplete.

The insufficiency of our navy yards was painfully obvious during the late rebellion, when, in contending with an enemy almost without a navy, the department was yet obliged to call to its aid the services of almost every ship-yard and machine-shop of any magnitude in the country. Of the present improved navy yards, none, except Mare Island, are of sufficient area to meet what will be required in the event of a war, even with an inferior power, and, with the exception of the Norfolk yard, none of them are so situated as to be susceptible of the requisite enlargement, without incurring enormous expense.

The purchase of Seavey's Island, at Portsmouth, New Hampshire, has made an addition to the area of that yard which will probably afford all the space required for improvements at that station, but large appropriations must be obtained before the necessary buildings, docks, &c., can be completed.

The Boston yard is insufficient in area for that important station, and the exigencies arising from so thorough a change in the construction and equipment of vessels of war that have occurred since the establishment of the yard, and, indeed, within the past few years, can no longer be adequately met. The failure in the past to make the necessary appropriations for the purchase of additional water front makes it a matter of grave consideration what can be done that will adequately provide for the wants of the future. No estimate is made at this time for the purchase of additional land or water front, for various reasons.

The State of Connecticut has conveyed to the government a tract of land, having a water front on the River Thames of one mile and a mean breadth of six hundred and seventy (670) feet. This location is, geographically, well situated to prevent the occupation of Long Island Sound and to guard New York City against the approach of a hostile naval force from that direction. It is a subject of regret to this bureau that a close survey, just completed by the Coast Survey, shows the channel way narrow, and, along the greater part of the water front, further from the shore line than was supposed.

To make a considerable naval station near New London, seems, in every point of view, advantageous. In order to do so, however, it would be worth while to have a full survey made, extending from just above the town to at least one mile above the present proposed site for the yard, so as to be able to select the point naturally the most advantageous and looking to the construction of an extensive fresh-water basin for iron-clads.

In the construction of works of great magnitude too much care cannot be taken in fixing upon the site having the greatest natural advantages, even when most favorably located. The cost of works of this description is great, and is added to, almost beyond belief, when the location is disadvantageous. At the present time no appropriation is asked for beginning the work.

The location of the navy yard at Brooklyn, New York, has long been considered unfortunate. The water front available is quite limited, the Wallabout Channel narrow and subject to extraordinary deposits of dirt and washings in bysewers, so as to render the continual use of dredging machines necessary, at a large annual cost, in order to maintain a required depth of water. At this important station in the harbor of the commercial metropolis of the nation, there are always numbers of vessels of war necessarily crowded together and exposed to imminent danger from fire, the yard being adjacent to buildings of various characters, among the number a large gas-house.

The fact that a very large tract of land has its natural drainage through the yard, the right of way for this drainage reserved for the city, and the formation of the surrounding land such as to render it impossible, except at an enormous expense, to discharge the contents of the public sewers outside the limits of the yard, is now a grave injury. Vessels newly coppered, lying near the discharge of these sewers, require almost entire recoppering in a few months, caused by the action of the acids from manufacturing establishments, and other chemical agents.

At my request General Sherman was good enough to detail some of the ablest engineer officers belonging to the army for the purpose of examining into what can be done to mitigate the disadvantages which weigh upon this naval station. As yet the bureau is not informed as to their opinion.

Under all the circumstances it would seem judicious to have a careful examination made of the adjacent waters, to ascertain if some other site cannot be found more suitable for the purposes of the navy. It is hardly a matter of doubt that a far better site can be selected. The present site is valuable for city purposes, and it is believed that the proceeds of its sale would be quite sufficient to defray the expense attending the establishment of a new yard with capacity commensurate to the prospective wants of the country.

The protection of the city of New York is of paramount importance, and to that end in the future the navy yard, as located, seems inadequate of sufficient extension. In the present relation of vessels in defense as against vessels attacking the city, a material advantage would be obtained by locating the navy yard so that its defense would not be involved in that of the city, but consist of interior lines; the vessels employed to aid in the actual defense of the city and within the harbor would then be able to proceed to their work without embarrassment or delay and would operate with entire assurance.

The navy yard at Philadelphia has less area than any other, and as League Island has been accepted for a navy yard, and the title perfected,

no estimates are submitted for the present yard, except such as are deemed necessary for the annual repairs of the existing works.

For commencing operations at League Island no estimate at this time is submitted. It is suggested that, before active operations are commenced, in the way of the erection of buildings, docks, &c., a complete plan of the yard should be prepared, so that any and all work done on the island may be done with a view to carry out a fixed and well-digested plan. As no appropriations are now asked that do not look to the present or almost immediate usefulness of the expenditure, none are asked for commencing the work on League Island, as the formation of a large naval establishment is necessarily an affair of time and considerable expenditure. This will not prevent the commencement of the quay wall, construction of wharves, and filling in as soon as appropriations are made, and which should be sufficiently large to push the work vigorously.

The yard at Washington has only a small area, too small for an extensive establishment. Of late years it has been more of a repairing and manufacturing than a building yard, and is deemed better adapted for the former purposes than the latter. For either purpose the area is too small, and an estimate is again submitted for its enlargement.

The navy yard at Norfolk, which was destroyed during the rebellion, in natural advantages is superior to any other on the Atlantic coast. Some of the buildings have been rebuilt, but much remains to be done to render the yard capable of meeting the demands of the service upon so important a position. The area of the yard is too limited, but its surroundings are such that a sufficient quantity of land adjoining can be obtained at reasonable prices. It is deemed of much importance that measures should be taken at an early day to secure the necessary land to enlarge this yard to a capacity equal to the wants of the service for all time. The yard, together with adjacent lands and shore lines, furnish sites for dry docks, wet basins, and all the requirements of a navy yard on the largest scale, and being in a locality where all the necessary materials for constructing vessels can be readily obtained, it presents a most favorable position for the establishment of a great naval station. It is not now proposed to ask appropriations for this purpose, but the importance of enlarging and building up, on a proper scale, this admirable point for its purpose, should be regarded as national.

The navy yard at Pensacola was also destroyed during the war, and but little has yet been done toward its reconstruction. This yard is situated near the entrance to Pensacola Bay and exposed to injury from vessels, outside of the harbor, having guns of long range. The location, for this reason, is objectionable, but in view of its being the only station on the Gulf of Mexico, it requires at this time to be made available for repairs. The great importance of having a well-equipped yard on the Gulf of Mexico suggests that, before heavy expenditures are made toward reconstructing this yard, it is worth while to institute an examination to ascertain if some more favorable location cannot be found.

The works upon the navy yard at Mare Island have progressed as rapidly as the means furnished by Congress would permit, and the yard now has facilities for the performance of a considerable amount of work. Many other buildings and other improvements are needed, this being the only station on the Pacific coast. The island is large enough to accommodate all the buildings, docks, and other improvements necessary for a large naval establishment. The present high prices of labor and materials render it necessary to confine the operations to such objects as are indispensably necessary for the present wants of the service.

The station at Sackett's Harbor, the area of which is but three and a

half acres, was established during the war of 1812, since which time it has been retained without a likelihood of prospective value even in the event of a war with Great Britain.

The station at Key West is now used entirely as a depot for coal, and is essential for vessels of war that may be employed in the adjacent waters. No appropriation is asked for its maintenance, the wharf rent being sufficient to keep it in repair.

The station at Mound City, established during our civil war, was found of great use at that time, and has been continued. It is a question at what points the supplies and outfits can be most conveniently and advantageously located, that will be necessary to the different classes of vessels which would be built in the valley of the Mississippi, in the event of a war with any great power. The material and skilled labor are here abundant for the construction of armored vessels of any class, and my attention has been directed, by Vice-Admiral Porter, to the excellent material and construction of the vessels, built on these waters, which were attached to his command during a part of the time of the continuance of our civil war.

The following will show the amounts expended at the various navy yards and stations during the fiscal year ending 30th June, 1869, with estimates for improvements and repairs during the fiscal year ending 30th June, 1871.

In preparing these estimates it has been the aim of the bureau to recommend appropriations for such objects only as are deemed indispensably necessary to carry on the work of the service with economy and promptness, and, in view of the fact that no appropriations have been made for improvements during the past three years, it is earnestly hoped that Congress will exercise that degree of liberality toward the naval service that its great importance merits.

#### PORTSMOUTH, NEW HAMPSHIRE.

The amount expended for repairs of all kinds, during the fiscal year ending 30th June, 1869, is, for materials, \$13,809 86; and for labor, \$44,479 16; making an aggregate of \$58,289 02.

The amount expended during the year for objects coming under the head of contingent, is \$61,303 32.

Estimates for the following objects are submitted for the fiscal year ending 30th June, 1871, viz: For commencing workshop and storehouse for yards and docks; extension of quay wall; yard railroads; enlarging dock-basin and building two railways; repairs of ordnance buildings, and repairs of all kinds, amounting in the aggregate to the sum of \$577,856.

#### BOSTON, MASSACHUSETTS.

The amount expended for improvements and repairs during the fiscal year ending 30th June, 1869, is, for materials, \$40,481 58; and for labor, \$115,399 26; making an aggregate of \$155,880 84.

The amount expended during the year for objects coming under the head of contingent, is \$114,382 65.

Estimates for the following objects are submitted for the fiscal year ending 30th June, 1871, viz: For new chimney at dry dock engine house; quay wall; addition to muster office; filling low places; drains, paving, and flagging; commencing workshop and storehouse for yards and docks; boundary and fence; additional filling at timber dock;

additional rail tracks; rebuilding sheer wharf; completing second story of rope-walk; rigging loft and store for equipment; repairs of ordnance buildings, and repairs of all kinds, amounting in the aggregate to the sum of \$747,341.

## NEW YORK.

The amount expended for improvements and repairs, during the fiscal year ending 30th June, 1869, is, for materials, \$38,232 29; and for labor, \$119,924 89; making an aggregate of \$158,157 18.

The amount expended during the year for objects coming under the head of contingent, is \$149,129 80.

Estimates for the following objects are submitted for the fiscal year ending 30th June, 1871, viz: For yard railroads; drains, paving, and flagging; water pipes and hydrants; commencing timber and knee basin; yard walls; erecting shop; coal depot; dredging machine and scows; repairs of ordnance buildings, and repairs of all kinds, amounting in the aggregate to the sum of \$833,511.

## PHILADELPHIA, PENNSYLVANIA.

The amount expended for improvements and repairs during the fiscal year ending 30th June, 1869, is, for materials, \$18,802 56; and for labor, \$32,402 81; making an aggregate of \$51,205 37.

The amount expended during the year for objects coming under the head of contingent, is \$56,506 15.

Estimates for the following objects are submitted for the fiscal year ending 30th June, 1871, viz: For dredging machine and scows; repairs of ordnance buildings, and repairs of all kinds, amounting in the aggregate to the sum of \$111,985.

## WASHINGTON, D. C.

The amounts expended for repairs of all kinds during the fiscal year ending 30th June, 1869, is, for materials, \$28,823 18; and for labor, \$69,321 74; making an aggregate of \$98,144 92.

The amount expended during the year for objects coming under the head of contingent, is \$86,859 12.

Estimates for the following objects are submitted for the fiscal year ending 30th June, 1871, viz: For depot for coal; extension of the yard west; extension of the yard east; marine railway; completing ordnance foundry; experimental battery; enlargement of officers' quarters E, F, and G; repairs of ordnance buildings, and repairs of all kinds, amounting in the aggregate to the sum of \$551,775.

## NORFOLK, VIRGINIA.

The amount expended for improvements and repairs during the fiscal year ending 30th June, 1869, is, for materials, \$54,180 14; and for labor, \$105,692 62; making an aggregate of \$159,872 76.

The amount expended during the year for objects coming under the head of contingent, is \$67,707.

Estimates for the following objects are submitted for the fiscal year ending 30th of June, 1871, viz: For workshop No. 39; plumbers' shop and iron store; gas-works No. 43; extension of erecting shop; boiler shop No. 41; repairs of ordnance buildings, and for repairs of all kinds, amounting in the aggregate to the sum of \$258,312.

## PENSACOLA, FLORIDA.

The amount expended for improvements and repairs during the fiscal year ending 30th June, 1869, is, for materials, \$20,692 38; and for labor, \$73,049 46; making an aggregate of \$93,741 84.

The amount expended during the year for objects coming under the head of contingent, is \$44,298 70.

Estimates for the following objects are submitted for the fiscal year ending 30th June, 1871, viz: For iron and coal house; large iron crane; railroad to spar pond, and for repairs of all kinds, amounting in the aggregate to the sum of \$92,423.

## MARE ISLAND, CALIFORNIA.

The amount expended for improvements and repairs during the fiscal year ending 30th June, 1869, is, for materials, \$41,082 20; and for labor, \$128,429 63; making an aggregate of \$169,511 83.

The amount expended during the year for objects coming under the head of contingent, is \$84,112 59.

Estimates for the following objects are submitted for the fiscal year ending 30th June, 1871, viz: For completing foundry and boiler establishment; cisterns; gas-house; saw-mill machinery; continuing quay wall; grading and paving; machinery for house-joiners' shop; water pipes; ordnance building; repairs of ordnance buildings, and for repairs of all kinds, amounting in the aggregate to the sum of \$424,559.

## SACKETT'S HARBOR, NEW YORK.

The amount expended for repairs of all kinds during the fiscal year ending 30th June, 1869, is \$743 04.

The amount expended during the year for objects coming under the head of contingent, is \$142 63.

Estimates for the repairs of buildings during the fiscal year ending 30th June, 1871, amounting to \$3,200, are submitted.

## MOUND CITY, ILLINOIS.

The amount expended for repairs of all kinds during the fiscal year ending 30th June, 1869, is, for materials, \$5,428 99; and for labor, \$20,948 39; making an aggregate of \$26,377 38.

The amount expended during the year for objects coming under the head of contingent, is \$4,055.

Estimates are submitted for the repairs of buildings, &c., during the fiscal year ending 30th June, 1871, amounting to \$6,432.

## NAVAL ASYLUM, PHILADELPHIA.

On the 1st of July, 1868, there were one hundred and fifty-three persons, including officers and attendants, borne on the rolls of the asylum. During the fiscal year ending 30th June, 1869, twenty-two beneficiaries have been admitted, thirteen have died, two have been dismissed, and two have been sent to the Insane Asylum.

The amount expended for the usual repairs of the buildings and care of the grounds, is \$6,231 59.



The expenses of the institution for the support of the beneficiaries and pay of officers and attendants during the year, are :

For subsistence.....	\$20, 433 06
For clothing, tobacco, &c.....	7, 636 90½
For miscellaneous items.....	8, 171 96
For officers and attendants.....	25, 557 19
<b>Total.....</b>	<b>61, 799 11½</b>

The total amount expended during the year is \$68,030 70½.

The amount estimated for the support of the institution during the fiscal year ending 30th June, 1871, is, for annual repairs of buildings, improvement of cemetery, and support of beneficiaries, \$65,100.

#### CONTINGENT.

The amount estimated under this head as necessary to meet the demands upon it is somewhat larger than the expenditures for the last year, owing to the fact that additional expenses have been entailed upon the bureau by the order requiring it to defray the expenses of *all* watchmen, ship-keepers and tugs at the different yards. These new items impose a heavy expense upon the contingent fund, and the amount submitted will be absolutely necessary to meet the demands upon the appropriation.

I have the honor to be, very respectfully, your obedient servant,  
**DAN'L AMMEN,**  
*Chief of the Bureau.*

#### BUREAU OF CONSTRUCTION AND REPAIR.

##### NAVY DEPARTMENT,

*Bureau Construction and Repair,*  
*November 12, 1869.*

SIR: In compliance with your instructions of the 2d September, 1869, I respectfully state that, for the purposes of this bureau, there will be required for the fiscal year ending June 30, 1871, the sum of \$8,068,160.

This estimate embraces only the current wants of the service; but an additional and special appropriation will be needed, if it shall be determined to collect supplies of timber that may become seasoned for future use.

As the durability of a wooden ship depends much on the character of the material of which the frame is composed, it is very desirable that the stock of live oak shall be increased.

As it becomes necessary to launch the ships on the stocks, their places should be supplied by others, that they may have sufficient time to season, which is necessary even with the best timber that can be had.

I am, sir, very respectfully, your obedient servant,  
**JOHN LENTHALL,**  
*Chief of Bureau.*

## BUREAU OF STEAM ENGINEERING

NAVY DEPARTMENT,  
*Bureau of Steam Engineering, November 3, 1869.*

SIR: I was appointed to take charge of this bureau March 17, 1869, at which date seventeen wooden ships had returned from sea and were laid up at the various navy yards, their machinery unfit for service, two only of this number being under repairs, viz., the Juniata, at the Philadelphia navy yard, and the Lancaster, at the navy yard, Norfolk. Of the sea-going iron-clads not one was in a condition to be sent immediately to sea. The machinery of a large number of the vessels in the several squadrons was also reported as requiring repairs more or less extensive. Many of these vessels have since returned home.

All work in the navy yards pertaining to keeping the machinery of vessels in a fit condition for service, except on the Juniata and Lancaster, had been for some time suspended, and all vessels were being laid up in the condition in which they returned. In point of fact, there was not a sufficient number of men employed in the engineering department of any of the yards to prevent the machinery from deteriorating. Had this state of affairs continued, it is evident that the machinery of all the vessels then at the navy yards, and of other vessels returning from active service and laid up, would have become totally disabled.

The appropriation for the bureau for the fiscal year 1869-'70 was only \$650,000, while the unexpended balance of previous appropriations was very small, making the available means of the bureau for the remaining portion of the fiscal year 1868-'69, and for the fiscal year 1869-'70, about \$800,000. From this amount it was the intention of my predecessor to pay for machinery being constructed under contracts made during the war and not yet completed, viz., one pair of engines known as the 100-inch diameter of cylinders, and boilers for the same; one pair of engines known as the 60 by 36-inch cylinders, with accompanying boilers—these engines and boilers were being built by the Corliss Steam Engine Works, at Providence, Rhode Island. Messrs. John Roach & Son, of the Morgan Iron Works, of New York, were building three sets of engines and boilers of the 60 by 36-inch cylinder class, and D. McLeod, esq., of the South Brooklyn Iron Works, one set of engines and boilers of the same class. Upon the completion of these engines and boilers according to the terms of the several contracts there would have been due the builders \$424,068. There were also being built, under contract with several parties, machinery and tools for the various navy yards, on which, upon completion of the work, there would be due \$345,992, making an aggregate of \$770,060 for engines, boilers, tools, &c. Out of the funds of the bureau this left only \$30,000 available for the repairs of machinery of vessels on foreign stations and at the yards, the purchase of oil, stores, tools, &c., and for the pay of the mechanics and laborers employed in the engineering departments of the several yards.

With these facts before me the attention of the bureau was first directed toward obtaining information as to what progress had been made in the work under contract, the amount to be done, what payments, if any, were due, and the best disposition that could be made of the machinery. With these objects in view the department ordered a board of officers to visit the establishments of the several contractors and to report, in accordance with instructions, whatever information on the above points it obtained. Upon the reception of the report of this

board it was determined, under instructions from the department, to stop all further work on the engines and boilers, remove them from the workshops of the contractors in their then unfinished condition to the navy yards, cancel the contracts, and settle with the contractors. This course was adopted, first, for the reason that none of these engines or boilers were needed or likely to be for a long time. Second, the money that would be required to meet the future payments on these contracts could be more advantageously used in making necessary repairs to machinery already afloat. The sum of \$259,068 40 was found to be due on this machinery when work was ordered to be suspended, upon deciding to pay which the contracts were settled and cancelled, and the machinery removed to the navy yards, at a cost of \$15,475. This left an unexpended balance from this source of \$149,524 60, to be devoted to the more immediate and pressing necessities of the service.

In relation to the tools building for the several navy yards that had been contracted for previous to the 4th of March, 1869, it was decided by the department to allow the contractors to complete and deliver them, but the payments to be deferred until Congress should make the necessary appropriations therefor. With the funds rendered available by cancelling the contracts for machinery and deferring the payments on tools, the bureau proceeded with all due vigor to repair the machinery of vessels laid up, and of others ordered to be prepared for service.

Since the date referred to at the beginning of this report, fifteen vessels have returned from the different squadrons and been placed under repairs on the Atlantic coast, and four at Mare Island, on the Pacific coast, making thirty-six in all undergoing repairs at this time in the various navy yards. In addition to these, the machinery of nine iron-clads and also of seven new vessels, which were in an advanced state, has been completed ready for sea. Of the vessels under repairs, nine have had their boilers condemned and removed and new ones ordered to be placed on board, while extensive repairs have been and are being made to their machinery.

The steam power of the frigate Colorado has been increased by the addition of two extra boilers, selected from those in store, and two auxiliary boilers, also selected from those on hand, are being prepared for each of the frigates Minnesota and Wabash, while their engines are being thoroughly refitted and repaired.

Three of the four iron-clads now on the stocks at the navy yards, viz., the Colossus, at New York, the Massachusetts, at Portsmouth, New Hampshire, and the Oregon, at Boston, have been received in an unfinished condition, and the contractors settled with. It is estimated that an expenditure of \$70,000 will be required to complete the machinery of each of these vessels. In the case of the fourth, the Nebraska, at the Philadelphia navy yard, the contractors for her machinery—Messrs. Pusey, Jones & Co., of Wilmington, Delaware—will have unsettled claims amounting to \$40,000, should it be decided to carry their contract to completion.

It is reasonably certain that a large number of the vessels on foreign stations will also require new boilers and extensive repairs to their machinery on their arrival home.

By order of the department four of the eight boilers of the Tennessee (formerly the Madawasca) have been removed, and orders have been given to remove four of the eight boilers from the Florida, (formerly the Wampanoag,) for the purpose of affording additional room for the storage of coal and stores, and for the better accommodation of the crew.

By order of the department the four-bladed screw propellers have

been removed from the Severn, Guerriere, Pensacola, Ossipee, Ticonderoga, Shenandoah, Nantasket, Swatara, Resaca, Congress, California, Tennessee, Nipsic, and Kansas, and instead thereof two-bladed screws were substituted in all except the Severn, to which vessel a Mangin screw was applied. These changes were made with a view of increasing the efficiency of the vessels under sail, reserving the reduced steam power to be used in entering and leaving port and in calms. The trial of the Mangin screw as applied to the Severn having proved unsatisfactory, it has been removed and a two-bladed screw put on.

In view of the decreased amount of work performed in the navy yards, resulting from the reduction of the hours of labor from ten to eight under the recent act of Congress, and the difficulty of procuring skilled and reliable workmen at some of the yards, the bureau entered into contract with Messrs. Merrick & Sons, of Philadelphia, for the complete repair of the machinery of the Brooklyn and its erection on board the ship. In its decision of this matter the bureau was also controlled to some extent by the desire to have a practical test as to whether the repairs to the machinery of naval vessels could not be made in less time and at less cost by well-known reputable engine establishments than if done in the government workshops, especially where, as in this case, the repairs are extensive.

It will be found to be true economy to place the machinery of every naval vessel in complete order, and at all times to maintain it in that condition ready for any emergency.

All the navy yards, except the Pensacola yard, have been visited by the chief of the bureau, the engineering department of each inspected, and the vessels under repairs examined. This became necessary in order to obtain a knowledge of the facilities for doing work at each yard and of the manner in which the several departments were being conducted.

The usual yearly contracts for supplies for the engineering department of the navy were not made during the fiscal year 1868-'69, nor has any been made for the present fiscal year, in consequence of the smallness of the appropriation. The consumption has been restricted wherever possible, and, with some necessary purchases, the supplies left from previous years have thus far sufficed.

The estimates for the next fiscal year will be found in the accompanying papers, marked A, B, and C. These estimates are the lowest for which the necessary operations of the bureau can be performed, and include no provision for extraordinary contingencies, nor do they include any provision for the deficiency needed to carry on the work until July 1, 1870.

I have the honor to be, sir, your obedient servant,

J. W. KING,

*Chief of the Bureau of Steam Engineering.*

Hon. GEO. M. ROBESON,  
*Secretary of the Navy.*

## BUREAU OF PROVISIONS AND CLOTHING.

BUREAU OF PROVISIONS AND CLOTHING,

*Washington, November 1, 1869.*

SIR: I have the honor to submit, in compliance with instructions, estimates marked A, B, C, and D, and schedules and statement marked E,

F, and G, for the fiscal year ending June 30, 1871. No estimate is made for clothing, as the balance on hand is considered sufficient for the next fiscal year.

I deem it proper to renew the recommendation of my predecessor in office for an increase of the salaries of the clerks to paymasters of navy yards and stations, and to paymasters and inspectors in charge of provisions and clothing at navy yards and stations, so as to place them, in regard to pay, on an equality with other clerks in navy yards, whose duties are not more arduous or responsible than theirs.

The recent order of the department requiring semi-monthly, instead of monthly payments, to the mechanics and others employed in navy yards, has greatly increased the labor of paymasters' clerks.

The policy, and indeed justice of supplying sailors, on their enlistment in the navy, with an outfit of clothing, free of cost to them, has been before so forcibly represented to the department, that I only deem it necessary to allude to it. The necessity of making some provision of this kind for the sailor is daily becoming more apparent, and I most earnestly recommend the measure to the favorable consideration of the department, as one well calculated to promote the best interests of the navy.

It is proposed to issue to the crews of vessels on some of our foreign stations coffee in the berry, in lieu of the ground coffee generally in use in the navy. But as coffee, in the process of roasting, loses considerably in weight, I would suggest that the ration of coffee, when issued in the unroasted berry, be increased to one and one-fourth ounces; the ration of ground coffee being one ounce per day for each person. Coffee roasters, it is believed, can be attached to the galleys of vessels with but little expense.

Very respectfully, your obedient servant,

EDWARD T. DUNN,  
*Chief of Bureau.*

HON. GEO. M. ROBESON,  
*Secretary of the Navy.*

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## BUREAU OF MEDICINE AND SURGERY.

NAVY DEPARTMENT,  
*Bureau of Medicine and Surgery, November 6, 1869.*

SIR: I have the honor to submit the following report, together with estimates of the amount required for the Bureau of Medicine and Surgery for the fiscal year ending June 30, 1871.

The estimates presented include the necessary cost of supplying the civil force, and the furniture for two new hospitals now in process of construction, one at Annapolis, Maryland, and the other at Mare Island, California; both of which will be completed within the fiscal year ending June 30, 1871.

In March, 1867, the last appropriations were made for "surgeons' necessaries and appliances," and for "contingent." Up to the present time the unexpended balances under those appropriations have been sufficient for the demands upon them, and will continue to meet the wants for the current fiscal year, although a larger demand is made upon the appropriation "surgeons' necessaries and appliances," by the recent practice of furnishing the officers' families with medicines and medical attendance.

Pursuing the system heretofore adopted of per-capita estimates, and assuming the number to be employed during the term covered by the estimates to be twelve thousand, an appropriation will be required of seventy-two thousand dollars, upon the basis of an expenditure of six dollars per man, for all causes involving the disbursement of the funds of this bureau.

I submit tabular statements of sick, &c., compiled from the reports of sick from the different naval stations within the United States, and from vessels on home and foreign service, for the year ending December 31, 1868:

*Statement of sick, compiled from reports of sick from the naval stations in the United States, and from vessels in commission on home and foreign stations for the year ending December 31, 1868.*

HOSPITALS.	Remaining sick De- cember 31, 1867.	Admitted in 1868.	Discharged in 1868.	Died in 1868.	Total treated in 1868.	Remaining sick De- cember 31, 1868.	Percentage of deaths to whole number of cases treated.
Chelsea .....	34	179	203	9	213	19	
New York .....	101	382	373	16	483	52	
Philadelphia .....	32	140	117	18	172	24	
Annapolis .....	11	1,179	1,173	2	1,190	10	
Washington .....	39	94	111	4	133	24	
Norfolk .....	32	222	220	7	254	12	
Pensacola .....	7	107	95	2	114	3	
Total .....	256	2,303	2,292	58	2,550	144	.027
NAVY YARDS.							
Portsmouth, New Hampshire .....	13	333	340	3	346	4	
Boston .....	5	247	272	0	252	2	
New York .....	15	412	421	1	427	2	
Philadelphia .....	4	175	179	0	179	0	
Washington .....	11	548	548	2	550	9	
Norfolk .....	12	380	386	1	392	12	
Monroe City, Illinois .....	5	268	270	0	273	3	
Mare Island, California .....	18	147	129	8	165	19	
Naval Observatory .....	5	36	44	0	41	7	
Pensacola .....	2	152	153	1	154	0	
Total .....	90	2,698	2,742	16	2,788	58	.027

RECEIVING SHIPS.	Average No on board during the year 1868.	Remaining sick De- cember 31, 1867.	Admitted in 1868.	Discharged in 1868.	Died in 1868.	Total treated in 1868.	Remaining sick De- cember 31, 1868.	Percentage of deaths to whole number of cases treated.
Portsmouth, New Hampshire .....	362	5	22	26	0	27	3	
Boston .....	370	17	348	361	0	365	4	
New York .....	677	15	373	330	4	388	9	
Philadelphia .....	178	7	145	152	0	152	2	
Baltimore .....	137	0	19	17	2	19	0	
Norfolk .....	170	10	306	310	1	316	6	
Monroe City, Illinois .....	23	4	28	31	1	32	0	
Mare Island, California .....	275	1	60	58	1	61	9	
Total .....	2,122	59	1,301	1,285	9	1,360	33	.006

*Summary of vessels in commission at sea, 1868.*

Average number on board during the year 1868 .....	13,310
Remaining sick December 31, 1867 .....	295
Admitted in 1868 .....	10,155
Discharged in 1868 .....	10,137
Died in 1868 .....	106
Total treated in 1868 .....	10,450
Remaining sick December 31, 1868 .....	207
Percentage of cases to number of persons on board .....	0.78
Percentage of deaths to number of persons on board .....	0.007
Percentage of deaths to number of cases treated .....	0.01

## RECAPITULATION.

	Aggregate No. of officers and men on board vessels in 1868.	Remaining sick December 31, 1867.	Admitted in 1868.	Discharged in 1868.	Died in 1868.	Total treated in 1868.	Remaining sick December 31, 1868.	Proportion of cases to number of persons on board.	Proportion of deaths to whole number of persons on board.	Percentage of deaths to whole number of persons treated.
Hospitals .....		256	2,303	2,292	58	2,559	144			.0227
Navy yards .....		90	2,698	2,742	16	2,788	58			.0057
Receiving ships .....	2,122	59	1,301	1,285	9	1,360	33	.62	.004	.0066
Vessels in commission at sea .....	13,310	295	10,155	10,137	106	10,450	207	.78	.007	.01
Total .....	15,492	700	16,137	16,456	189	17,157	442	1.1	.012	.011

At the close of the year 1867 there remained under treatment 700 cases; during the year 1868 there occurred 16,457 cases of disease, injury, &c., making a total of 17,157 cases treated during the year, of which number 189 died, 16,456 were returned to duty or discharged the service, leaving 442 cases under treatment at the end of the year 1868.

The average strength of the navy (officers, seamen, marines, engineer service, and coast survey included) for the year 1868, as nearly as can be ascertained, was about 15,492.

The proportion of cases admitted to the whole number of persons in the service was about 1.1; or each person was on the sick list  $1\frac{1}{10}$  times during the year. The proportion of deaths to the whole number in the service was .012, and the percentage of deaths to the whole number of cases is .011, or less than two per cent.

The total number of deaths from all causes, reported at the Navy Department, from October 1, 1868, to September 30, 1869, is 203.

Summary of prevalent forms of disease on home and foreign service for the year ending December 31, 1898.

Squadrons.	Aggregate number of men.	Febrile disease.		Diseases of digestive system.		Diseases of respiratory system.		Diseases of circulatory system.		Diseases of brain and nervous system.		Diseases of cutaneous and cellular system.		Diseases of fibrous, osseous, and articular system.		Diseases of genito-urinary organs.		Malignant diseases.		Diseases of the eye and ear.		Wounds and injuries.		Total.	
		Cases treated.	Deaths.	Cases treated.	Deaths.	Cases treated.	Deaths.	Cases treated.	Deaths.	Cases treated.	Deaths.	Cases treated.	Deaths.	Cases treated.	Deaths.	Cases treated.	Deaths.	Cases treated.	Deaths.	Cases treated.	Deaths.	Cases treated.	Deaths.	Cases treated.	Deaths.
North Atlantic...	2,300	753	18	312	1	100	1	13	...	73	1	175	...	91	...	124	...	23	...	35	...	106	...	1,896	21
South Atlantic...	1,223	135	...	255	1	77	1	28	...	52	...	169	...	94	...	90	...	12	...	21	...	226	...	1,160	3
European...	1,491	97	...	112	1	99	1	12	...	32	...	78	...	85	...	125	...	10	...	21	...	125	...	1,701	10
North Pacific...	1,787	184	10	213	2	148	...	15	...	56	...	267	...	136	...	143	...	10	...	30	...	264	...	1,467	17
South Pacific...	1,250	118	2	161	1	109	...	10	...	33	3	116	...	113	1	151	...	1	...	28	...	223	...	1,063	13
Asiatic...	2,746	343	11	677	3	331	12	20	1	103	...	318	...	259	...	405	...	47	...	58	...	397	...	3,051	37
Special service...	2,626	28	1	36	...	34	...	3	...	11	...	21	...	26	...	21	...	6	...	1	...	40	...	227	3
School and practice ships...	1,742	102	...	132	...	121	1	4	1	47	...	104	...	60	...	48	...	5	...	15	...	101	...	749	2
Coast survey...	1,45	8	...	14	...	9	...	...	...	...	...	2	...	9	...	12	...	...	...	...	...	5	...	46	...
Total...	13,310	1,768	44	1,912	9	1,021	34	105	4	407	6	1,250	...	870	1	1,209	...	114	...	210	...	1,577	8	10,450	106



The foregoing tabular statements are based upon the reports of sick from all naval stations and vessels during the year.

Reports of 74 vessels, with an aggregate of 15,492 officers and men, are on file in this office for the year 1868.

#### INSANE OF THE NAVY.

On the 30th of September, 1868, there remained under treatment in the Government Asylum for the Insane, near this city:

6 officers, 5 seamen, 4 landsmen, 3 marines, 1 beneficiary, and 1 late seaman. Total .....	20
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During the year ending September 30, 1869, there were admitted: 1 officer, 1 seaman, 1 coal-heaver, 1 first-class boy, 2 marines, 3 beneficiaries, and 1 late passed midshipman. Total .....	10
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Total number under treatment during the year .....	30
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The discharges in the course of the year were:

By recovery, 1 officer; by improvement, 1 officer and 1 marine; by death, 1 officer, 1 seaman, 1 marine, and 1 late passed midshipman. Total .....	7
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Leaving in the institution on the 30th September, 1869:

4 officers, 5 seamen, 4 landsmen, 1 coal-heaver, 1 first-class boy, 3 marines, 4 beneficiaries, and 1 late seaman. Total .....	23
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#### NAVAL HOSPITAL FUND.

The condition of this fund is represented as follows:

Balance on hand October 1, 1868 .....	\$434,500 98
Transferred to the fund by the Fourth Auditor, in settlement of accounts, &c., from October 1, 1868, to October 1, 1869 .....	124,214 52
Transferred to the fund on account of supplies from the naval laboratory to vessels and navy yards, from October 1, 1868, to October 1, 1869 .....	25,291 39
	<hr/> 584,006 89
Deduct amount expended from October 1, 1868, to October 1, 1869 .....	155,181 64
	<hr/> 428,825 25

#### NAVAL HOSPITALS.

*Portsmouth, New Hampshire.*—The sick quarters at this place, together with the medical store-room now in process of erection, at a cost of \$500, will answer the wants of the sick on this station.

During the month of June ultimo it was deemed advisable by the department to transfer the quarantine hospital buildings, located on Seavey's Island, to Wood Island, in Portsmouth Harbor, and to build a new kitchen for the hospital. The work was accomplished at a cost of \$2,352.

*Chelsea, Massachusetts.*—During the year a building in which to treat contagious diseases has been erected on the grounds attached to the

hospital, which will accommodate twenty-five patients with their necessary attendants.

The work of laying out the cemetery has also been completed, and the roads leading to it from the hospital have been thoroughly repaired.

The farm at this establishment is rapidly becoming excellent and profitable, and during the past season yielded, besides a considerable quantity of the ordinary garden vegetables, thirty tons of hay, one hundred bushels of oats, and six hundred bushels of potatoes.

For the necessary repairs of all kinds for the fiscal year ending June 30, 1871, there will be required \$8,000.

*New York.*—During the year the laundry attached to this hospital, the steam boiler in the kitchen, the steam boiler for heating the building, the floor of the mess-room, and the floor of the main balconies, have been placed in thorough repair.

The cemetery grounds, walls, &c., attached to this hospital are in a condition discreditable to a government establishment; hence negotiations are now being made that will properly define the limits of the land owned by the United States, and its claim to the land so defined clearly established, when a fence sufficient for the proper protection of the cemetery will be erected so as to include all the land fit for such purposes. The marshy land excluded by this arrangement will be carefully surveyed and measured.

The walls of the hospital, copings, terraces, &c., require renovation, as a precaution against early decay; for this purpose and for the necessary repairs of all kinds there will be required \$10,000.

*Philadelphia, Pennsylvania.*—At this place a stable and an ice-house have been built. The roadways around the hospital have been laid out and graveled, and the grounds placed in a finished condition.

The surgeon's house has also been repaired.

The walls of the main-entrance hall, corridors, wash-room, &c., on the lower floor of the hospital, require to be painted, as well as the floors of the basement corridors; for which, together with the necessary repairs of all kinds, there will be required \$3,800.

*Annapolis, Maryland.*—For the outfit of this establishment when completed, and for the necessary grading, fencing, &c., there will be required \$10,000.

*Washington, D. C.*—The wards, halls, stairways, and heating apparatus of this hospital have been thoroughly repaired, and the buildings and grounds are in good condition.

The unexpended balance under appropriation "Naval hospital, Washington, D. C.," will answer all demands of this establishment for the fiscal year ending June 30, 1871.

*Norfolk, Virginia.*—A new bath-house bridge has been built, the roof of the hospital repaired, and the wards plastered.

For the necessary repairs of all kinds to this hospital and its appurtenances there will be required \$7,500.

*Pensacola, Florida.*—The temporary buildings used for hospital purposes at this station continue to answer all requirements.

*Mare Island, California.*—For the necessary outfit of this establishment when completed, and for fencing, sodding, roadways, &c., there will be required \$10,000.

#### NAVAL LABORATORY, NEW YORK.

For the current repairs to this establishment and its appurtenances, and for the purchase and repair of machinery, apparatus, furniture, &c., there will be required \$8,500.

I regret to report that the medical corps of the navy, in a corps of 200, has 52 vacancies—only one out of 53 resignations having been filled; and few young medical men capable of passing the moderate examinations of the examining board are applying for the service.

What appear to me to be the causes of the difficulty, and the means of removing it, I will have the honor to make the subject of a special report.

Very respectfully, your obedient servant,

WM. M. WOOD, *Chief of Bureau.*

Hon. GEORGE M. ROBESON,  
*Secretary of the Navy.*

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## MARINE CORPS.

HEADQUARTERS MARINE CORPS,  
*Washington, October 26, 1869.*

SIR: It gives me pleasure to report to the department that during the past year the various duties assigned to the officers and enlisted men of the marine corps have been so performed as to meet the approbation of the officers in command of our several naval stations, and also, so far as I have learned, on board our vessels in commission.

The troops at the several stations have been twice inspected during the year. Once by the adjutant and inspector of the corps in June last, and recently by myself; and on both occasions they were found in a high state of efficiency and discipline, and the barracks and public property under their charge in the usual good condition.

The general return of the corps, which is transmitted herewith, shows that at the present time there are about twenty-three hundred enlisted men in service. Of this number about one thousand are on board our vessels in commission, and the remainder on shore at the several naval stations.

The number of men at the principal stations, I regard as much too small for the performance of the duties required of them, and at the same time to supply the details for service afloat; and in my judgment the public interests require that there should be at least one hundred additional privates at each of the navy yards at Boston, New York, and Philadelphia, and at the headquarters of the corps. On two or three occasions during the present year the marines at Philadelphia and New York were called upon to aid the civil authorities in enforcing obedience to the laws, which duty was performed with promptness and efficiency. The men at the several stations are always fully equipped, and ever held in readiness for immediate service, and as the troops of the regular army are required for service at the South and West, it is presumed the marine corps will be again called upon, in any future emergency of this character. For this reason alone, if none other existed, two full and efficient companies of men should always be available at each of the yards named. The headquarters of the corps, being the school of instruction for the young officers and recruits entering the service, should at all times have a full battalion of men fit for duty, otherwise the military instruction of officers and men must necessarily be imperfect.

The barracks at headquarters have undergone a most thorough repair during the past summer, and are now in better condition than they have

been for the past forty years. In their repair the utmost economy has been observed, much of the labor having been performed by the enlisted men, and the entire superintendence and direction of the work under the control of the commanding officer of the post, Brevet Lieutenant Colonel Heywood, who deserves great credit for his unremitting attention to this duty, as well as for the good judgment displayed in making repairs where most required.

The quarters are not now what they should be, yet with ordinary attention, will be comfortable and pleasant abodes for the troops for many years to come.

The marines at the Norfolk station are still quartered on board the dismantled frigate St. Lawrence, which, as a temporary provision, affords them very good accommodation; but in my judgment the efficiency and soldierly bearing of the men, as well as their social and physical comfort, would be much improved by their being quartered on shore, within a sufficient space for a parade ground, for their exclusive use. As this navy yard is again becoming one of the principal naval depots, I would respectfully renew my recommendation that Congress be asked to authorize the construction of a barracks at this station, capable of accommodating four hundred men, either within the yard itself, or contiguous thereto, as the department might deem best.

The quarters of the men at the navy yard at Pensacola are very temporary, and unsuited for the purpose, and should it be the intention of the department to restore this yard to its former condition, I would also recommend the reconstruction of the barracks on the old site, which is a most excellent one for the purpose. The quarters at the other stations are in good repair, and will require but ordinary attention to keep them so.

The estimates for the support of the corps for the coming fiscal year, are based upon the same number of men as estimated for last year. The amount required for the paymaster's department is therefore about the same as that of last year, while the estimates for the quartermaster's department show a reduction of \$112,561 90 in consequence of a reduction of the price of provisions and clothing.

In all public expenditures during the past year, I am satisfied the utmost economy has been observed.

I am, very respectfully, your obedient servant,

J. ZEILIN,

*Brigadier General and Commandant.*

Hon. GEORGE M. ROBESON,  
*Secretary of the Navy.*

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#### HEADQUARTERS MARINE CORPS,

*Paymaster's Office, September 7, 1869.*

SIR: I inclose herewith estimates for the pay and subsistence of officers, and pay of non-commissioned officers, musicians, privates, &c., of the United States marine corps for the fiscal year ending June 30, 1871.

The only change from those submitted last year, is the reduction of \$1,578, being the pay of one retired officer, deceased.

I am, very respectfully, your obedient servant,

J. C. CASH,

*Paymaster Marine Corps.*

Brigadier General JACOB ZEILIN,  
*Commandant United States Marine Corps, Headquarters.*



## Summary statement of appropriations required for the fiscal year ending June 30, 1871.

Objects.	Secretary's office.	Bureau of Yards and Docks.	Bureau of Ordnance.	Bureau of Equipment and Recruiting.	Bureau of Navigation.	Bureau of Construction and Repair.	Bureau of Steam Engineering.	Bureau of Provisions and Clothing.	Bureau of Medicine and Surgery.	Aggregate.
Pay of navy.				\$3,600,000	\$4,000,000					\$7,000,000 00
Repairs of buildings and incidental expenses in navy yards.		\$3,672,494 00								3,672,494 00
Pay of civil establishments in navy yards.		145,998 75		39,760						434,647 50
Ordnance.			\$15,000			\$75,300	\$44,800	\$41,836 75	\$71,952	1,119,082 00
Equipment.			1,119,002							2,000,000 00
Navigation and navigation supplies.				2,000,000	202,500					2,000,000 00
Naval Academy.										234,540 00
Naval Observatory.	\$234,540									19,800 00
Nautical Almanac.					19,800					20,000 00
Repair and preservation of vessels.					20,000					20,000 00
Steam machinery, tools, &c.						6,975,000				6,975,000 00
Provisions.							1,750,000			1,750,000 00
Repairs of hospitals and laboratory.								1,405,300 00		1,405,300 00
Surgeon's necessaries, &c.									57,800	57,800 00
Pay of ordinary.		50,000 00							72,000	72,000 00
Contingent.	150,000	1,091,000 00	1,000	150,000				100,000 00	40,000	50,000 00
Total.	384,540	4,950,402 75	1,135,002	5,789,760	4,242,300	7,050,300	1,704,800	1,547,036 75	941,752	27,145,043 50

Object.	Pay.	Provisions.	Clothing.	Fuel.	Military stores.	Transportation.	Repair of barracks.	Contingent.	Aggregate.
Marine corps.	\$731,467 17	\$135,901 70	\$20,000	\$28,100	\$10,000	\$20,000	\$12,000	\$75,000	\$1,060,637 67

## NAVAL ACADEMY.

## REPORT OF THE SUPERINTENDENT OF THE NAVAL ACADEMY.

SIR: I have the honor to submit herewith my annual report as Superintendent of the United States Naval Academy.

The Naval Academy has been in existence upwards of twenty-three years, and may now be considered one of the permanent institutions of the country, and it seems to be yearly gaining ground in the affections of the people.

Although it has undergone several revolutions, quite enough to disorganize any institution, yet I am happy to say it has recovered all its lost ground, and is now capable of a favorable comparison with any institution of the kind in the world.

Having been at the head of the academy for the last three years, and engaged in its reorganization upon a somewhat improved plan, I should be able to speak understandingly of its merits and defects.

Since its re-establishment at Annapolis, at the close of the war, four different boards have attended to witness the annual examinations, and have thoroughly investigated the system of instruction. Many of the gentlemen composing these boards were highly educated and scientific men, and most of them were persons of enlarged views and general information.

Every opportunity was given them to examine into the affairs of the academy, for the officers were always anxious to have defects pointed out that they might be corrected.

All these boards made favorable reports, the result, it is believed, of their honest conviction.

When it is considered that the annual expense of keeping up the Naval Academy is not more than the cost of maintaining a small gun-boat, it is to be hoped that the institution will continue to receive from Congress the same consideration that has heretofore been bestowed upon it.

It has always been my aim to make the Naval Academy a first-class institution, one the country could be proud of, and from which young men should go forth with an education that would fit them for all the duties of life.

It has been with feelings of great pride that I have heard foreign officers, who have visited our country, remark that there is no naval educational establishment in Europe that can compare with the Naval Academy.

Nothing goes so far to impress foreigners with our power as to witness the manner in which West Point and the Naval Academy are conducted, and the system of education adopted in these institutions. It was owing to the practical teachings of the Naval Academy that we were able during the late war to rapidly build up so large a navy, and in a short time drill the hardy officers of the mercantile marine into good practical naval officers.

In case of a foreign war the same good results would take place; for the officers of the navy are in fact a large corps of instructors in professional knowledge, which they have a happy faculty of imparting to others.

A large majority of the instructors at the academy are naval

and during the last three years drawing, French, and Spanish have been taught by line officers, one of whom has been at the head of the department of drawing.

It is not, however, practicable wholly to dispense with the aid of civilian instructors. There must be a certain number of persons permanently attached to the Naval Academy, for officers of the navy are changed every three years. Were this system of change applied to all teachers, in a few years the routine, records, and various other matters of importance would be lost sight of in the different changes made at the academy.

It would be difficult to carry on the same system from year to year.

It is considered that the present status of professors and assistant professors at the Naval Academy is about what it should be. There is now a majority of naval officers, but there are a certain number of civilian assistant professors in the different departments that cannot be dispensed with.

This matter has been examined into by the several boards of visitors at the academy, and they have invariably expressed the above opinion.

Boards of examiners have made reports from time to time that better hospital accommodations should be furnished. At present the hospital is only prepared to accommodate eight patients, and that with two in a room. This is not a desirable arrangement, especially if one of the two should be delirious.

There are no hospital accommodations whatever for sailors or other employes of the academy. In case of sickness, these persons have to sling in hammocks on board ship, amid all the noise incident to Naval Academy life. In this respect the commonest institution in the country is on a better footing than the Naval Academy.

A properly arranged hospital has, however, been commenced in the grounds belonging to the academy, and this great want will in about one year more be provided for.

The attention of the Navy Department has frequently been called to the fact that the grounds lying contiguous to those of the academy should be purchased. There is a space next to the academy now actually inclosed by the government grounds.

The assemblage of houses in this space is thus prevented from expanding; but the government can make no improvements on their lands until the above-mentioned property is purchased. This can be done for a sum that I do not deem unreasonable, considering the wants of the academy and its value to the country.

This land once purchased, the academy will have all the domain that it is desirable it should possess.

It is to be hoped that the institution will continue to recommend itself to the good will of Congress.

The system now in force I am satisfied is about the right one, although changes may be made from time to time to insure greater efficiency.

It should be remembered that the officers educated here go forth to represent the United States in all parts of the world, and whenever they are met with abroad they are taken as the exponents of the character of American citizens.

It is desirable, then, that the Naval Academy should receive the fostering care of Congress, and officers who graduate here should leave with the best education the government can give them.

It is also desirable that all the officers of the academy should reside within its walls, not only for their own comfort and convenience, but also for the promotion of discipline.



I recommend, therefore, an appropriation to increase the officers' quarters from year to year.

I would further recommend that professors and assistant professors should receive a small addition to their pay for every five years of service. It is not to be supposed that competent persons will remain in these subordinate positions all their lives, without some increase of compensation for length of service.

The annual examination commenced on the 20th of May last, and was concluded on the 4th of June.

The several classes of midshipmen numbered two hundred and fifty-three members, as follows: First class, seventy-eight members; second class, seventy members; third class, fifty-five members; fourth class, fifty members.

Of this number seventy-five members of the first class graduated and were detached from the academy for duty in active service.

The remainder who passed successful examinations were ordered to duty in the practice ships Savannah, Macedonian, and Dale.

The midshipmen of the several classes being embarked for the summer cruise, the practice ships, under command of Captain N. B. Harrison, commandant of midshipmen, sailed from the Naval Academy on the 12th of June last, with one hundred and fifty-five midshipmen on board, and after visiting the ports of Cherbourg and Brest in France, Portsmouth, England, and Funchal in Madeira, both vessels being in company during the entire cruise, and at all times within signal distance, arrived in Chesapeake Bay on the 18th of September, and in Annapolis Roads on the 25th of the same month. The cruise was pleasant and instructive both to the officers and midshipmen, and the conduct of the latter, with a few exceptions, was excellent.

The Dale, under the command of Lieutenant Commander Edward Terry, having eight members of the present first class attached to her, remained at the academy until the midshipmen admitted in June, forty-four in number, were embarked, and sailed on the 10th of July; cruised on our coast, and arrived in Annapolis Roads on the 23d of September last.

The number of candidates for admission to the academy, who reported in June, was sixty-one; number rejected by medical board, three; number rejected by academic board, twelve; number who left pending examination, two; found qualified for admission, forty-four.

The number who reported in September for examination was sixty-two; number rejected by medical board, seven; number rejected by academic board, twelve; found qualified for admission, forty-three. Total number qualified in June and September, eighty-seven. \* \* \*

The United States ship Sabine sailed from Boston, July, 1869, with the graduating class of midshipmen on board, on a cruise of instruction.

The ship was directed to spend six months in the Mediterranean, visiting all the principal naval depots, thence to proceed to Rio de Janeiro and the Cape of Good Hope, returning home in time for the graduating class to pass their final examination in 1870.

The reports from the commanding officer of the Sabine of the progress of the midshipmen are highly flattering.

The new midshipmen's quarters, which were appropriated for by Congress in 1867, are now occupied by the midshipmen.

I have the honor to be, very respectfully, your obedient servant,

DAVID D. PORTER,  
*Superintendent.*

Hon. GEO. M. ROBESON,  
*Secretary of the Navy.*

*Estimate of the amount required for the pay of professors, assistant professors, and others on duty at the United States Naval Academy, for the fiscal year ending June 30, 1871, chargeable to the appropriation for the support of the Naval Academy.*

1 professor of the French language.....	\$1,800 00
5 assistant professors of the French language.....	7,000 00
1 professor of the Spanish language.....	1,800 00
2 assistant professors of the Spanish language.....	2,800 00
1 professor of ethics and English studies.....	1,800 00
4 assistant professors of ethics and English studies.....	5,600 00
3 assistant professors of mathematics.....	4,200 00
1 assistant professor of astronomy, navigation, &c.....	1,400 00
1 assistant professor of natural and experimental philosophy.....	1,400 00
3 assistant professors of drawing and draughting.....	4,200 00
1 sword master.....	1,200 00
2 assistant sword masters, (\$1,000 each).....	2,000 00
1 boxing master and gymnast.....	1,200 00
1 assistant librarian.....	1,400 00
1 secretary.....	1,400 00
3 clerks to the Superintendent, (\$1,200, \$1,000, \$800).....	3,000 00
1 clerk to the commandant of midshipmen.....	1,000 00
2 clerks to the paymaster, (\$1,000 and \$600).....	1,600 00
1 commissary to subsist midshipmen.....	288 00
1 messenger to the Superintendent.....	580 00
1 armorer.....	529 50
1 gunner's mate.....	469 50
1 quarter gunner.....	409 50
1 coxswain.....	469 50
1 cook for midshipmen's mess.....	325 50
1 seaman, to attend in department of seamanship, &c.....	349 50
2 seamen, to attend in department of gunnery, &c.....	699 00
1 band master.....	528 00
18 musicians of the first class.....	6,264 00
7 musicians of the second class.....	2,100 00
2 drummers } musicians of the first class.....	1,044 00
1 fifer }	
Total.....	58,856 00
Pay of professors and others.....	\$58,856 00
Amount appropriated for the year ending June 30, 1870.....	60,000 00
Decrease.....	1,144 00

By a reduction of the academic staff, &c., this estimate is decreased below the amount appropriated for the year ending June 30, 1870, by \$1,144, and below the estimate submitted for the same year by \$23,545.

*Estimate for the wages of watchmen, attendants at the gas and steam-heating works, and others on duty at the Naval Academy for the fiscal year ending June 30, 1871.*

1 captain of the watch, at \$2 50 per diem.....	\$912 50
4 watchmen, at \$2 25 per diem.....	3,285 00
1 foreman at the gas and steam-heating works, at \$4 per diem.....	1,460 00
10 attendants at the gas and steam-heating works at academy and schoolships, one at \$3 25, three at \$3, and six at \$2 50 per diem.....	9,946 25
3 joiners, at \$3 50 per diem.....	3,832 50
2 masons, at \$3 50 per diem.....	2,555 00
1 tinner, at \$3 per diem.....	1,095 00
1 gas fitter, at \$3 per diem.....	1,095 00
1 blacksmith, at \$3 per diem.....	1,095 00
1 mechanic at workshop, at \$2 25 per diem.....	821 25
1 master laborer, to keep public grounds in order, at \$2 28 per diem.....	832 50
14 laborers to assist in same, three at \$2 and eleven at \$1 75 per diem.....	9,216 50
1 laborer to superintend midshipmen's quarters, public grounds, &c., at \$2 28 per diem.....	832 50

4 attendants at recitation rooms, library, chapel, and offices, at \$20 per month	\$960 00
2 painters, at \$3 50 per diem	2,555 00
20 servants to keep in order and attend to midshipmen's quarters, public buildings, &c., at \$20 per month	4,800 00
Total	45,294 00
Amount appropriated for the fiscal year ending June 30, 1870	\$45,294 00

This estimate remains the same as that submitted last year.

*Estimate for contingent expenses of the Naval Academy for the fiscal year ending June 30, 1871.*

For material for heating and lighting the academy, and school-ships, bandmen's quarters, &c.	\$20,000 00
For the purchase of books for the library	2,000 00
For stationery, blank-books, maps, and models	3,500 00
For expenses of the board of visitors	2,000 00
For postage on public service	750 00
For furniture and fixtures for public buildings, &c.	2,000 00
For expenses with the astronomical and philosophical departments, &c.	500 00
For the purchase of steam machinery, steam pipe and fixtures, for rent of buildings, for use of the academy, for freight, cartage, water, musical instruments, uniforms for bandmen, telegraphing, and for the current expenses and repairs of all kinds, and for incidental labor not applicable to any other appropriation	35,200 00
Amount contingent expenses	65,950 00
Amount appropriated for the fiscal year ending June 30, 1870	61,450 00
Excess	4,500 00

The increase under this head is occasioned by the addition of four thousand five hundred (\$4,500) dollars—two thousand to the estimate for heating and lighting the academy, new quarters for midshipmen, &c., two thousand dollars for the expenses of the board of visitors, and five hundred dollars for expenses for the astronomical and philosophical departments, &c.

*Estimate of the amount required for various purposes at the Naval Academy for the fiscal year ending June 30, 1871.*

For finishing additional quarters for midshipmen, now in course of construction, as per contract entered into July 13, 1867	\$30,000 00
For necessary repairs of public buildings, &c.	8,000 00
For extending and repairing the wall inclosing the grounds of the Naval Academy	6,000 00
For repairs of wharves	4,500 00
For repairs of pavements, &c., and for laying brick pavement around new quarters for midshipmen	4,000 00
For repairs of sea-wall along water-front of the academy	1,500 00
For rent of quarters for the foreman of the gas and steam-heating works, at \$15 per month	180 00
	54,180 00
Amount appropriated for the year ending June 30, 1870	8,690 00
Excess	45,500 00

The increase under this head is considered indispensable, to finish the additional quarters for midshipmen, now in course of construction, for necessary repairs of buildings, &c., wall around the academy, wharves, pavements, sea-wall, &c.

*Estimate of the amount required for the support, &c., of the department of steam enginery in the United States Naval Academy for the fiscal year ending June 30, 1871.*

For engineer's stores .....	\$500 00
For material for repair of steam machinery .....	1,000 00
	<u>1,500 00</u>

*Estimate for the wages of the following persons on duty in the machine shop of the department of steam enginery in the United States Naval Academy for the fiscal year ending June 30, 1871.*

1 machinist, at \$3 50 per diem .....	\$1,277 50
1 machinist, at \$3 per diem .....	1,095 00
1 blacksmith, at \$3 50 per diem .....	1,277 50
1 boiler maker, at \$3 50 per diem .....	1,277 50
1 pattern maker, at \$3 50 per diem .....	1,277 50
1 moulder, at \$3 50 per diem .....	1,277 50
2 laborers, at \$1 75 per diem .....	1,277 50
	<u>8,760 00</u>

Amount estimated for support, &c., of department of steam enginery for the fiscal year ending June 30, 1871 .....	10,260 00
Amount appropriated for the fiscal year ending June 30, 1870 .....	5,000 00
Excess .....	<u>5,260 00</u>

This estimate is the same as that submitted last year, and is considered sufficient only to meet the wants of the department.

#### *Recapitulation of estimates for Naval Academy.*

Pay of professors and others .....	\$58,656 00
Wages of watchmen and others .....	45,294 00
Contingent expenses .....	65,950 00
Various purposes .....	54,180 00
Support, &c., of the department of steam enginery .....	10,260 00
	<u>234,540 00</u>
Total appropriated for the year ending June 30, 1870 .....	<u>180,424 00</u>

NAVAL ACADEMY, Annapolis, Md., September 10, 1869.

## REPORT OF THE BOARD OF VISITORS, 1869.

UNITED STATES NAVAL ACADEMY,  
Annapolis, Md., June 4, 1869.

SIR: The undersigned, appointed to attend at the Naval Academy during the May examination, as a Board of Visitors, for the purpose of witnessing the examinations of the graduating and other classes, and of examining into the state of the police, discipline, and general management of the institution, have the honor to report as follows:

The board assembled May 20th, the day designated, held a session on each secular day up to this, the day of graduation, attended all public exercises of the midshipmen, and, either as a board or by committees, witnessed a portion of nearly every examination of all the classes. We have not failed to observe carefully the general tone, bearing, and air of all connected with the institution, in all exercises and at all hours, whether

on or off duty, nor to look into the condition of the grounds, buildings, apparatus, and appurtenances of all kinds, for evidence as to the thoroughness and vigor of the government. Since the late war the grounds have been enlarged, both by purchase and by filling upon the water front. The chapel, new quarters, and several other buildings have been erected. The former residence of the governors of Maryland has been purchased and converted into a commodious library and superintendent's offices, and the grounds have been greatly improved.

In whatever aspect it is viewed, the institution exhibits clearly the effects of the profound interest Vice-Admiral Porter has felt in it, and of his very vigorous and able administration of its affairs. The officers and midshipmen manifest a justifiable pride in the prosperity of the academy, are jealous of its honor, and sincerely desire its continued advancement. The general impression we have received is exceedingly favorable. The academy appears to be answering well the purposes of its foundation. We learn from the records that during the superintendency of Vice-Admiral Porter the purchases of land, including the old governor's residence, the St. John's College lot, and the Strawberry Hill farm, have amounted to about one hundred and thirty acres, costing about sixty-five thousand dollars. Under special appropriations there have been erected the steam building, the chapel, and the new quarters; and we learn that, by savings from the annual appropriations for the academy, (under the heads of "for various purposes,") there have been built a block of two tenements for officers' quarters, the laboratory building, and a small edifice used as a photographic gallery. Other buildings are in progress. The amount of money expended since the war, upon all buildings, including the wholly new, and the alterations, is about two hundred and twenty-five thousand dollars. Between the new and old lands of the academy lies a section of the town containing perhaps twelve acres, covered by a cheap and not very desirable class of tenements. Looking to the future of the institution, the board, without hesitation, recommends that this tract of land be purchased. The possessions of the academy will then be in one body, with a sufficient area for all time for labor and recreation.

The classes in practical seamanship naturally attracted our early attention. The oral and written examinations were satisfactory, and not less so were the practical exercises in all that pertains to handling sails and spars. The introduction of steam has only added to the requisites of a good officer. It has not dispensed with the necessity for any of the skill in handling sailing vessels, that brought so much glory to the American navy in earlier days. This is obvious to the midshipmen themselves, as their zeal in this branch shows. It is also clear that the academy can only give a theoretical basis, with a limited amount of practical training.

The regulations of the academy already provide that no midshipman shall be entitled to his final examination for promotion to the grade of ensign until he shall have served at sea one year as a midshipman and engineer, after passing his graduating examination. Inasmuch as sending them on a year's cruise in one vessel continues the style of instruction they received in practice ships as under graduates, and inasmuch as many of our vessels in active service have no midshipmen, the board suggests that the graduating class be distributed among those vessels, there to perform the actual and necessary duties of midshipmen for at least a year, or until they are required in a higher grade, to which they should attain only after a rigid examination. With not more than from six to twelve on a vessel in active service, it is thought that they would supply a want that is felt, be more useful to the government,

and at the same time be acquiring more practical experience than by the other method. The theory and practice of gunnery must be attractive to the youth who desires to be worthy of his profession, and the board was gratified, but not surprised, by the successful examinations in the recitation room, and the admirable target-firing with the heavy guns of the "Santee." The mortar practice was also good. The drill on shore with sixteen boat howitzers showed perfect familiarity with the work, and was a brilliant exhibition in maneuvering and firing. The board also witnessed a satisfactory exhibition of naval tactics, representing in small boats the different orders of steaming and sailing fleets, divisions, and squadrons, to be observed for battle and other purposes, and of changes from one order to another. The midshipmen appeared before us as a battalion of infantry, on dress-parade and in battalion exercises, performing all the ordinary changes of front and formation, marching and charging in column and line, and winning from us and all spectators the most enthusiastic praise.

Beyond expressing its approval of the course of instruction, and its satisfaction with the results, the board has nothing special to remark concerning the examinations in mathematics, astronomy, navigation, surveying, and natural and experimental philosophy.

The department of steam-engineering presents more of novelty. Vice-Admiral Porter constructed the edifice known as the "steam-building," in which a marine engine, complete in all its parts, even to the screw-propeller, kept ready for use, and freely open to the midshipmen, under competent supervision, affords them every facility for practical study. The department is well supplied with models and drawings, and contains boilers in several stages of construction. The graduates were very thoroughly examined, orally and in writing, upon all the ordinary problems of steam, and were required to show that they could personally run and govern the engine. The text-book in use, "Main and Brown upon the Steam Engine," an English work, is manifestly unfit, being deficient in some respects and erroneous in others; and we are informed that much time is consumed in correcting its errors and lecturing upon important topics which it does not touch. Many parts of the engine are designated by names not in use in this country. The subject of heat is very briefly treated, and the theory advanced is not accepted at the present day. It contains no analysis of American coals, nor any table showing their relative efficiency. The dozen lines devoted to anthracite coal contain several inaccuracies. It confesses that its rules for finding the efficiency of engines are of little use. It has no lists of our ships, and its long list of British ships contains the names of many that are not in the service; and its tables of engines in ships make no mention of the boilers attached, which are the real exponents of the power of the machine. We do not doubt that some capable officer could be selected to prepare a text-book on the subject, which would be very valuable not only to the academy but to many other American schools.

We doubt if any institution in the world affords equal facilities for the theoretical and practical study of steam and the steam-engine; and it has occurred to us that they might be made of much more advantage to the navy and the country. We think that further efforts should be made to carry into effect the spirit of the act of Congress, "providing for the education of naval constructors and engineers." The navy will annually require additions to the engineer corps, and the officers of that corps could not be better trained elsewhere. If the regulations for admission of cadet engineers are such as to defeat their object entirely, they can easily be modified.

In the department of ethics and English studies we see nothing calling for special remark, in addition to general commendation. The board was very much pleased with the oral and written examinations upon the Constitution of the United States, the law of nations generally, and the relative rights and duties of belligerents and neutrals in time of war. It frequently happens that our naval officers appear as the sole representatives of the government in circumstances requiring the most prompt and energetic action as well as careful and accurate judgment; and it is important that all who hope to deserve the command of ships should be well grounded in the general principles of the laws likely to come in question in such emergencies. In connection therewith, the board freely praised the progress of the graduates in the French and Spanish languages. Of course, in these as in many other branches, it can only be expected that the academy will start the scholar upon his course, but, so far as the work is attempted, it is certainly very well done. All the drawings of the midshipmen—right line, sketching, perspective, topographical, chart, and mechanical—were exhibited to the board. The general average is exceedingly good, and there are many examples of marked excellence. In committing to the government the absolute control of several hundred youth, the country has a right to expect a careful regard to their moral and religious culture. The obvious difficulties of the case in a state without a church are met as well as they can be. In the regular course, provision is made for familiar lectures by the chaplain upon "the ground of moral obligation; our relations to God, and consequent duties; personal duties; the chief relations of men to each other in society, and the duties thence arising." Divine service is performed on Sunday, in the tasteful and commodious chapel on the grounds, at which "it is desired that all shall attend." The students are excused, upon a written request from their parents or guardians, based upon reasons of conscience, but they are required to attend other services, if such are held in the town, in accordance with their views. Daily prayers in the chapel, fifteen minutes before breakfast, are ordered by the Regulations; but for various reasons, which we are informed are temporary, this has given place to a brief invocation at the table. We think it preferable that, in a place where the honor of obedience and a faithful discharge of duty are so well taught in other respects, this daily act of worship should not be overlooked; and we are convinced that it is not well to prescribe, as we find it is done, that at all other hours on Sunday save those occupied at the chapel, students "shall conform to the prescribed hours of study." The judgment of the wisest physiologists, as well as the moral and religious sense of the country, requires that Sunday shall be a day of rest from all unnecessary labor. We do not believe that this infringement of the rule finds due compensation in the additional progress made in study. The Monday morning recitations do not commence until eight o'clock, and they can easily be so arranged that sufficient preparation can be made on that morning. Conscientious scruples are carefully regarded in other respects, and they should be in this, in accordance with the customs of colleges generally.

Very praiseworthy attention is paid to physical health and training. Hours of study and exercise are rigidly prescribed. The rooms are plainly furnished. Subsistence is determined upon by a board of three officers selected by the superintendent, and is furnished by a commissary of long experience. An officer presides at the mess table as inspector and "officer in charge." Bathing at regular intervals is required, and the best facilities are furnished at other times, at a trifling charge. The police of the ground and building is admirable. Tobac

in every form, and intoxicating liquors of every description, are positively forbidden.

Regular instruction is given in dancing, boxing, and small and broad sword exercise, and all are required to submit to gymnastic training. Ball-playing and rowing are encouraged, as the board had excellent evidence. The result of all this care is a remarkably fine physical development, with instances of superior gymnastic skill and strength, and a very satisfactory general condition of health. During the year, out of nearly four hundred students and officers there has been an average of only about two per cent. excused from duty by reason of ill health, which has usually been of a slight and temporary character. The Regulations speak of the importance of the art of swimming, to which all would yield a ready assent; but we find that, owing to the multiplicity of other duties, and the occurrence of the annual cruise, from June to October, no instruction and no opportunities are afforded. This seems to the board a defect in the system of physical culture otherwise almost without fault, and the board invites attention to the matter. The hospital is unexceptionable so far as it goes; but the board is decidedly of the opinion that it is greatly insufficient. It can properly accommodate only twelve patients, and, including the detachment of marines, the various crews of vessels generally at this station, and the employes of all descriptions, there are many hundreds of persons who can claim attention from the medical department. It is proposed to remedy this, as the Boards of Visitors have repeatedly recommended, by the erection of a new hospital upon the grounds lately purchased.

We renew the recommendation of previous boards, that the principal naval officers of the academic staff be kept on their duty here for four years instead of three, with a change of one-fourth of the detail annually, in order that there may be with a class, up to its graduation, a portion, at least, of the instructors with whom it commenced its course.

It is possible that the academy may soon furnish annually more officers than the diminished navy requires in time of peace. The board would, nevertheless, maintain at least the present number of students. Probabilities favor the supposition that if this nation should soon again be involved in war, the chief contest would be upon the sea. In case of a surplus above the immediate necessities of the service, the rules restraining resignation might be relaxed; and some plan might be devised of giving an indefinite leave of absence without pay, subject to a call to duty in an emergency.

Speaking in the interest of the academy, the board hear with great regret a rumor that Vice-Admiral Porter may leave the superintendency at the close of this academic year. His services here have been of inestimable value, and cannot be forgotten. He has infused into every department vivacity, energy, a just pride, and a determined spirit of progress, and deserves the cordial thanks of every friend of the institution. The commandant of midshipmen, Captain N. B. Harrison, deserves an acknowledgment of the industry, sagacity, and sound judgment with which he has performed his laborious duties. His supervision is unceasing, and he enforces the rigid discipline of the institution with a tact, without sacrificing fidelity, which excludes all appearance of harshness. It has appeared to the board, from the observations of its comparatively short stay, that he is assisted by a body of gentlemen exceedingly well qualified for instruction and government. All the officers have been very active and courteous in exhibiting and explaining all things that come within our duties. We have endeavored to overlook nothing, and have stood ready to frankly criticise and recommend



changes if occasion should offer. We close by saying, in all heartiness and sincerity, that your department and the country have just reason to be proud of the Naval Academy.

H. PAULDING, *Rear-Admiral,  
and President of the Board.*

J. R. GOLDSBOROUGH,  
*Commodore United States Navy.*

JOSEPH R. HAWLEY, *Connecticut.*

E. G. PARROTT,  
*Captain United States Navy.*

W. J. ALBERT, *Maryland.*

WM. MAXWELL WOOD,  
*Surgeon United States Navy.*

D. O. HUMPHREYS, *Alabama.*

CHAS. H. LORING,  
*Chief Engineer United States Navy.*

SIMEON B. CHITTENDEN, *New York.*

WM. H. WARDSWORTH, *Kentucky.*

Hon. A. E. BORIE,  
*Secretary of the Navy.*

# REPORT

## OF

### THE SECRETARY OF THE INTERIOR.

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DEPARTMENT OF THE INTERIOR,  
*Washington, November 15, 1869.*

SIR: In presenting a statement of the public business of this department for the last fiscal year, I shall follow the usual custom of making an exhibit of the affairs of the several bureaus, and adding such recommendations as the good of the service seems to require should be carried into effect.

I also submit the reports of the several benevolent and correctional institutions which are under the supervision of this department and are, wholly or partly, dependent upon governmental support, together with such information concerning various public works committed to its charge as the records and files furnish.

#### PUBLIC LANDS.

During the last fiscal year, public lands were disposed of as follows:

	Acres.
Cash sales.....	2, 899, 544.30
Taken for homesteads.....	2, 737, 365.05
Grants to railroads and wagon roads.....	746, 769.51
Approved to States as swamp.....	445, 768.49
Located with military warrants.....	449, 780.00
Located with college scrip.....	352, 664.86
Located with Indian scrip.....	24, 259.76
	<hr/> 7, 666, 151.97 <hr/> <hr/>

A quantity greater by 1,010,409.47 acres, than was disposed of the previous year.

The number of acres entered under the homestead law was greater by 408,441 than that of the preceding year.

The surveys in fifteen surveying districts embraced 10,822,896 acres.

The cash receipts from all sources amounted to \$4,472,886 28; a sum greater by \$2,840,140 38 than was received the previous year.

The total expenses of the General Land Office and the seventy-three district offices amounted to \$453,816 43.

Congress appropriated ten thousand dollars for the continuance of the geological survey of the Territories of the United States by Professor Hayden.

He was instructed by the department to direct his attention especially to the geological, mineralogical, and agricultural resources of the Territories of Colorado and New Mexico; ascertain the age, order of succession, relative position, dip, and comparative thickness of the different strata and geological formations, and examine with care all the beds, veins, and other deposits, of ores, coals, clays, marls, peat, and other mineral substances, as well as the fossil remains of the different formations.

He entered on his labors in the field the last of June, at Cheyenne, Wyoming Territory. His route was through Denver, the silver and gold mining region of Georgetown and Central City, the Middle Park, Colorado City, and Fort Union to Santa Fé, returning through the San Luis Valley and South Park to Denver. The exploration, though brief and rapid, was eminently successful, and the collections in geology, mineralogy, botany, and zoology were extensive. His preliminary report bears date October 15. It is accompanied by two other reports made to him by his assistants—one on mines and mining, the other on agriculture. These papers are a valuable contribution to our knowledge of the subjects which they embrace, and merit careful perusal.

#### PATENT OFFICE.

During the year ending 30th September, 1869, 19,360 applications for patents, including re-issues and designs, 3,686 caveats, and 153 applications for the extension of patents, were filed. 13,762 patents, including re-issues and designs, were issued, 125 extended, and 899 allowed, but not issued by reason of the non-payment of the final fee.

On the 1st day of October, 1868, the unexpended balance of the appropriation was \$117,249 18. The appropriations subsequently made amounted to \$772,018, making an aggregate of \$889,267 18. The expenditures since that date have been \$472,462 62, leaving on hand an available balance of \$416,804 58.

During said year the fees received were \$213,926 02 in excess of the expenditures. This exhibit furnishes a gratifying contrast to that of the preceding year, when the expenditures exceeded the receipts \$171 64.

The appropriation asked for, for the next fiscal year, is \$564,420.

The office now publishes a weekly list of claims, which is furnished to subscribers at five dollars per annum. It is believed that by the ensuing year the receipts will cover the entire cost of the work. This list, published simultaneously with the issue of the patents, serves all the purposes of the annual report, which is not issued until two years later. In order that the public and the examining corps may have access to the drawings of the office, I recommend an appropriation for printing copies. The expense so occasioned can be re-imbursed, if the Commissioner be authorized to make sale of them and apply so much of the proceeds thereof

as may be necessary. If he could sell copies of the patent and of the drawings at cheap rates to those who desire them, and place copies in the State capitals and great commercial centers, more complete information of the action of the bureau than is now furnished by the report would be promptly disseminated, and an annual expenditure of \$200,000 of the public money avoided.

My immediate predecessor, in each of his annual reports, urged the repeal of all laws which authorized an appeal from the decision of the Commissioner of Patents on applications for letters patent and in interference cases. The reasons he presented are, in my opinion, clear and unanswerable. It is, indeed, believed that it was the intention of Congress to abolish such an appeal by the act of 1861. No mention is made of it in the provision for appeals, or in the new schedule of fees thereby established. It has, however, been held that prior acts which authorized such an appeal are still in force, and that the right thereto still exists. If their purpose was to secure uniformity in the administration of the patent laws, it has signally failed. The appellants may select either of the four members of the supreme court of the District to hear and determine the case, and from his decision no appeal lies to the court in banc. The Commissioner, in a paper addressed to me, represents that, as a natural consequence of the appeal and of the fee claimed for acting upon it, the judges have, without authority from Congress, assumed to extend their jurisdiction to his purely ministerial duties, and to interfere with his discharge of them. Decisions have been made on the proper date of letters patent, the allowance of amendments, the issue of double patents to an inventor and his assignee, and on other questions of a like character. The practical working of this asserted supervisory control over the doings of the Commissioner has been, upon the whole, injurious. Consistency of decisions and of administration has not been attained. Controversies and litigation as to the extent of relative jurisdiction have arisen, and the usefulness of the office, in its attempts to protect the public against imposition, has been essentially impaired.

#### PENSIONS.

At the date of the last annual report the name of but one revolutionary soldier, Daniel F. Bakeman, remained on the pension rolls. He has since died.

Of the pensioned widows of soldiers in the revolutionary war there survive: one of those married prior to 1783, fifty-four of those married between 1783 and 1794, thirty eight of those married between 1794 and 1800, and seven hundred and ninety-five of those married since 1800—eight hundred and eighty-seven in all, and only one less than the preceding year.

There are on the rolls the names of 1,298 widows and children of soldiers who served in the wars subsequent to the Revolution and prior to

that of 1861, a decrease of five since the last annual report. The number of invalid pensioners who served in said wars is 2,350.

During the past year there were examined and allowed 7,120 new applications for invalid pensions of soldiers, at an aggregate annual rate of \$468,144 40; and 2,908 applications for increased pension of invalid soldiers, at an annual aggregate rate of \$164,798 20. During the same period 15,695 original pensions to widows, orphans, and dependent relatives of soldiers were allowed, at an aggregate annual rate of \$1,577,281 53; and 11,998 applications by the same class for increased pay were also admitted, at a total annual rate of \$784,549 70. On the 30th June, 1869, there were on the rolls 81,579 invalid military pensioners, whose yearly pensions amounted to \$7,362,804 28; and 103,546 widows, orphans, and dependent relatives of soldiers, whose yearly pensions amounted to \$13,567,679 19—making the total aggregate of army pensioners 185,125, at a total annual rate of \$20,930,483 47. The whole amount paid during the last fiscal year to invalid military pensioners was \$9,383,714 48; to widows, orphans, and dependent relatives, \$18,609,153 56—a grand total of \$27,992,868 04, which includes the expenses of the disbursing agencies.

During the same year there were admitted 172 new applications for invalid navy pensions, at an annual rate of \$16,239; 57 applications for increased pensions of the same class, at an annual aggregate of \$2,606 50; 209 original applications of widows, orphans, and dependent relatives of those who died in the navy, at an aggregate rate of \$27,510 per annum; and 101 pensions of the same class were increased, at a total yearly rate of \$4,728. On the 30th June, 1869, the rolls of the navy pensioners bore the names of 1,280 invalids, at an annual aggregate of \$118,171 10; and 1,558 widows, orphans, and dependent relatives, at an aggregate annual rate of \$256,830. The amount paid during the last fiscal year to navy invalids was \$125,640 51; and to widows, orphans, and dependent relatives of officers and seamen of the navy, \$304,375 53—a total amount of \$430,016 04.

During the year there were added to the number of pensioners, of all classes, 23,196; there were dropped, from various causes, 4,876—leaving on the rolls June 30, 1869, 187,963. The total amount paid for pensions of all classes, including the expenses of disbursement, was \$28,422,884 08, a sum greater by \$4,411,902 09 than that paid the previous year.

There were 1,650 bounty-land warrants issued, for 260,040 acres.

It is estimated that, exclusive of the amount chargeable to the navy-pension fund, \$30,000,000 will be required for the pension service during the next fiscal year.

Investigations made during the past summer have proven the commission of very numerous frauds in procuring false testimony, by means of which certificates of pensions have been wrongfully obtained. Diligent effort is being made to bring the offenders to justice, but the mode of appointing and paying pension agents and medical examiners should

be changed, with a view to increasing their efficiency as aids to the office in protecting the government against fraudulent claims.

The pension agents are now entitled to a percentage upon the amount of money disbursed by them. In my judgment this is the exact opposite of the true rule in such cases. The government may be benefited by paying collecting officers a percentage on their collections, since their vigilance is stimulated in that way; but to increase the officer's compensation in the ratio of the amount disbursed, is to make it his interest to be blind to frauds which tend to increase the payments to be made by him, and his own consequent profit. I would recommend, therefore, that the salaries of the several pension agents be fixed at the amount actually paid them during the past fiscal year, and that the sliding scale, dependent upon disbursements, be abolished.

Under the present laws examining surgeons are appointed from the medical men resident in the various districts of the country. They examine the applicants for pension in their own neighborhood, such applicants paying the fee therefor, which is repaid to the applicant if the pension is finally granted. Under this rule the feelings of good neighborhood, the disposition to favor a friend, and the desire to extend his own practice by increasing his popularity, all tempt the examiner to be lax, and there is conclusive evidence that such laxity has greatly and improperly increased the pension-roll, and the consequent burdens of taxation. I therefore recommend that a sufficient number of medical officers be permanently attached to the Pension Office, to make the required examinations of invalid pensioners as well as of applicants for invalid pensions, or an increase of rate, and that the fees now paid for such examinations be turned into a fund for paying proper salaries to such medical examiners.

#### INDIAN AFFAIRS.

The problems presented by our relations to the Indian tribes which still inhabit portions of the western States and Territories are every year making more imperative demands for a fixed general policy that shall give some reasonable probability of an early and satisfactory solution.

The completion of one of the great lines of railway to the Pacific coast has totally changed the conditions under which the civilized population of the country come in contact with the wild tribes. Instead of a slowly advancing tide of migration, making its gradual inroads upon the circumference of the great interior wilderness, the very center of the desert has been pierced. Every station upon the railway has become a nucleus for a civilized settlement, and a base from which lines of exploration for both mineral and agricultural wealth are pushed in every direction. Daily trains are carrying thousands of our citizens and untold values of merchandise across the continent, and must be protected from the danger of having hostile tribes on either side of the route. The range of the buffalo is being rapidly restricted, and the chase is becoming an uncertain reliance to the Indian for the sustenance of his family.

If he is in want he will rob, as white men do in the like circumstances, and robbery is but the beginning of war, in which savage barbarities and retaliations soon cause a cry of extermination to be raised along the whole frontier.

It has long been the policy of the government to require of the tribes most nearly in contact with white settlements that they should fix their abode upon definite reservations and abandon the wandering life to which they had been accustomed. To encourage them in civilization, large expenditures have been made in furnishing them with the means of agriculture and with clothing adapted to their new mode of life.

A new policy is not so much needed as an enlarged and more enlightened application of the general principles of the old one. We are now in contact with all the aboriginal tribes within our borders, and can no longer assume that we may, even for a time, leave a large part of them out of the operation of our system.

I understand this policy to look to two objects: First, the location of the Indians upon fixed reservations, so that the pioneers and settlers may be freed from the terrors of wandering hostile tribes; and second, an earnest effort at their civilization, so that they may themselves be elevated in the scale of humanity, and our obligation to them as fellow-men be discharged.

In carrying out this policy a great practical difficulty has arisen from the fact that in most instances a separate reservation was given to each tribe. These reservations have been surrounded and gradually invaded by the white settlers, and the Indians crowded out of their homes and forced to negotiate for a new settlement, because their presence, their habits, and their manners were distasteful to their new and more powerful neighbors.

It is believed that the only remedy for this condition of things is to encourage the Indians to assemble upon larger reservations, where their numbers will be aggregated, and where the more civilized of them will influence the others in striving to progress in the arts of peace. Congress has already passed an act to enable the civilized Indians of the Indian Territory, properly so called, to form a general organization, with most of the elements of a territorial government; but the requisite appropriations of money have not been made to carry the plan into effect. I would earnestly recommend that no further delay be made in this matter. The associated tribes, of which the Cherokees have taken the lead, are those best fitted for a fuller experiment in self-government. They are already familiar with most of the forms of executive, legislative, and judicial action in use among us, and I believe them well prepared to dispense with the tutelage of our agents, if they may have a delegate of their own upon the floor of the House of Representatives to speak for them. Both they and we are suffering for the lack of such direct representation. The white constituencies which are nearest to them are the ones of all the nation whose interests are most in opposi-

tion, and whose personal tendencies are most hostile to theirs. The representatives of such constituencies would be more than human if they were not influenced by this fact. Representation chosen by the tribes themselves, and responsible to themselves, is the only mode of making the country acquainted with their condition and with our obligations to them. In such a territory the tribal organization would easily merge into the county, and the territorial legislature would not be very different from the grand councils at present in vogue among them.

The Indians north of the Platte River are not yet prepared for a similar concentration; but the time cannot be far distant when two or three principal Indian territories may properly embrace all the tribes east of the Rocky Mountains. Without such a system they will inevitably go through the old process of being first surrounded and then overwhelmed and destroyed by the white immigration. As they advance in intelligence they will need no urging to adopt this plan, for they will see as plainly as we that the existence of their race depends upon it.

The same policy of concentrating the tribes will apply to the country west of the Rocky Mountains, and will be equally necessary whenever and wherever the feuds existing among them can be so far settled that they can live together in peaceful neighborhood. Upon such permanent reservations farms should be allotted in severalty as soon as any disposition to agriculture is awakened, and every inducement offered to stimulate the desire for property of a fixed character.

The late peace commission negotiated treaties with all the principal tribes east of the Rocky Mountains, and were guided in their action by the general views stated above, which indeed may be said to have been accepted by all disinterested persons who have had any opportunity of examining the subject. The treaties were duly ratified, and so became the solemn contract between the United States and those tribes. It is deeply to be regretted that specific appropriations were not made to carry out strictly the terms of the treaties, for, although the general appropriation of two millions has been used as far as possible in the fulfillment of the obligations incurred, the Commissioner of Indian Affairs has been met at every step by distrust of the good faith of the government, and all promises regarding the future have been doubtfully received and answered by the inquiry, what agreement could be more binding than that made under the authority of Congress by so distinguished personages as the ambassadors of the United States? Everything attending the peace commission was of a nature to excite the imaginations of the Indians, and to impress them with the belief that now, more than ever before, we were thoroughly in earnest in our negotiations. The disappointment is proportionally great, and the comparative quiet which has been maintained throughout the year could only have been secured by greatly increased care and untiring effort on the part of the officers of the Indian Bureau and of the army officers, who have co-operated with the greatest zeal in carrying out a peaceful policy.



A savage is the last person with whom any doubt of our exact good faith should be allowed to remain. In dealing with him it seems quite essential that he should find both our promises and our threats absolutely certain, and so learn to invest the government with something of the divine attributes of justice and omnipotence.

In the organization of the Indian Bureau itself, at the beginning of your administration, it was deemed advisable to depart from the usual mode of selecting and appointing the superintendents and agents. The tribes in Nebraska and Kansas, and some of those most recently placed upon reservations in the Indian territory, were placed under control of members of the Society of Friends; the others were given in charge of military officers, who were waiting orders under the laws for the reduction of the army.

These sweeping changes were made because it was believed that the public opinion of the country demanded a radical re-organization of this branch of the service. The selection of the officers of the army was made partly for economical reasons, as they were on pay though not on duty, and the salaries of many civil officers could thus be saved and partly because it was believed they furnished a corps of public servants whose integrity and faithfulness could be relied upon, and in whom the public were prepared to have confidence.

The Friends were appointed not because they were believed to have any monopoly of honesty or of good will toward the Indians, but because their selection would of itself be understood by the country to indicate the policy adopted, namely, the sincere cultivation of peaceful relations with the tribes, and the choice of agents who did not, for personal profit, seek the service, but were sought for it because they were at least deemed fit for its duties. The two yearly meetings of "Friends" were asked to select men in whom they had confidence, and who might become at once the business agents of the government and zealous missionaries of civilization. The persons so selected were appointed by you by and with the advice and consent of the Senate, and although it was somewhat late in the season when they were sent to their posts, enough has been seen of their labors to make it certain that the mode of selection was not a mistake. It is due to these societies to say that they have at their own cost sent officers of their own body to inspect the work of the agents as far as it aimed at the civilization and instruction of the Indians. The moral support and encouragement thus given to the ts must be valuable.

In accordance with the same general plan of bringing moral influences to bear upon the conduct of Indian affairs, the present Congress authorized you to appoint a commission of philanthropic citizens, to serve without pay, in such supervisory and visitorial duty as might be assigned to them. No difficulty was found in securing the services of men of the highest character and known benevolence. By an executive order

they were authorized to inspect all the accounts and records of the Bureau, to be present at the purchases of Indian goods and advise as to the conduct of the same, and to visit and inspect the tribes in their reservations and examine the business of all the agencies. The officers of the department were also directed to give respectful heed to the suggestions and reports of the commission. No direct responsibility, either pecuniary or administrative, was put upon this commission, because it was believed that their usefulness would not be increased thereby. They now constitute an entirely disinterested body of intelligent advisers, with full power to throw the light of the most searching scrutiny upon the conduct of our relations with the Indians, and to give the public, through their reports, the most reliable knowledge of the condition and progress of the several tribes. It is believed, also, that their efforts cannot fail to stimulate the public conscience, and to give greater unity and vigor to the voluntary efforts made throughout the country in the cause of Indian civilization—a result desirable in itself, and certain to make easier and more satisfactory the duties of the officers of the bureau.

The administrative efforts of the department in this regard have therefore been directed, first, to the substitution of new officers in the agencies, selected by a new rule, and one which it was believed would inspire public confidence; and second, to organize a reliable mode of visitation and supervision, which would give the purifying influence of the most public scrutiny, and the great advantage of intelligent and philanthropic advice as to the affairs of tribes of fellow men who have no more direct representation, or more satisfactory way of making their condition and wants known to the country.

The experience of the last summer, imperfect as it has necessarily been, warrants confidence in the system adopted. The report of the Commissioner, with the reports of the inspecting committees and other documents appended, shows that the general condition of the tribes is much more peaceful than we had reason to expect. No general or formidable hostilities have broken out, and it is believed that the influence of nearly all the older and more experienced chiefs has been in favor of peace and of friendly appeals to us to carry out our treaties with them. Small bands of several tribes have been guilty of pillage and murder, and have been severely and justly punished by the troops; but even these collisions have not disturbed the quiet of the greater portion of the Indian country.

#### OFFICE OF EDUCATION.

At the last session of Congress the organization of the department of education was so reduced as essentially to change its character.

The Commissioner has devoted his time and attention—

1st. To giving such advice, information, and assistance as may be spe-

cifically called for by State officers of education, or local trustees or instructors of common schools, throughout the country.

2d. To preparing and transmitting circulars and memoirs which contain such matter as he regards best adapted to improve and perfect the common-school education of the country; and

3d. To personally visiting schools, conventions, &c., for the purpose of interchanging views with professional teachers, and acquiring or imparting knowledge respecting the progress of education and its methods.

The report for the present year will be found to contain elaborate comparisons and analyses of the public educational systems of Europe, the courses of instruction, the organization and discipline of the various schools, and, besides the briefer circulars on important educational topics, which have been issued during the year, a history of the schools of the District of Columbia, and of the general work of the bureau itself.

The encouragement of education among the freedmen of the southern States, which has heretofore formed a very important part of the labor of the "Freedmen's Bureau," is necessarily very closely allied to the general scope of the duties devolving upon the Commissioner of Education. I would respectfully suggest the propriety of uniting the whole in this office, with suitable powers and provisions for fostering education and increasing intelligence among the recently enfranchised people. It would seem that, in regard to them, the efforts of the Commissioner may be of the utmost service, by placing at their disposal and bringing to their attention the methods of instruction which experience has developed in the most enlightened portions of the world, and thus saving them from the slow and painful process of learning by their experience alone. The whole country has so great a stake in the progress of those who have recently emerged from slavery, and in their proving fit to wield the great political power now held by them, that no rational effort should be spared to hasten their enlightenment and give them access to the most approved means of intellectual progress.

#### CENSUS.

The twenty-third section of an act entitled "An act providing for the taking of the seventh and subsequent censuses of the United States, and to fix the number of the members of the House of Representatives, and provide for their future apportionment among the several States," approved May 23, 1850, prescribes "that if no other law be passed providing for the taking of the eighth or any subsequent census of the United States, on or before the first day of January of any year when, by the Constitution of the United States, any further enumeration of the inhabitants thereof is required to be taken, such census shall, in all things, be taken and completed according to the provisions of this act." The constitutional provision directs the next enumeration to be made during the coming year, and Congress, in executing it, will provide other methods if those prescribed by existing legislation are deemed inade-

quate. I forbear making any specific recommendation on the subject, as a committee, appointed by the House of Representatives at its last session, to take into consideration such measures as might be deemed proper in reference to the census, and to prepare a plan, have been actively engaged in prosecuting their inquiries, and will, I am informed, be ready to report at the commencement of the approaching session. A great amount of preliminary labor is required in maturing and arranging the details of a work of such extent and variety, and in preparing and distributing blanks and instructions. The obvious impossibility of commencing it until the manner of taking the census shall have been determined, offers a conclusive reason for the early decision of Congress.

Payment has been withheld from a large number of assistant marshals, who rendered services in taking the eighth census in those sections of the country which were subsequently in rebellion. The original appropriations for that census were long since exhausted, and those of a later date do not extend to these cases. I recommend that provision be made for all just claims of this description, subject, however, to the joint resolution of March 2, 1867, which prohibits the payment of any account or demand against the United States to a person who, during the rebellion, was not known to be opposed thereto, and in favor of its suppression.

#### JUDICIARY.

The following statement shows the amount advanced during the fiscal year ending June 30, 1869, to marshals of the United States for defraying the expenses of the courts of the United States, including the fees of marshals, jurors, and witnesses, the maintenance of prisoners, and contingencies:

Alabama, southern district.....	\$2,000 00
Arkansas, eastern district.....	14,103 00
Arkansas, western district.....	40,047 70
California.....	26,637 00
Connecticut.....	3,207 00
Delaware.....	2,415 39
District of Columbia.....	131,254 00
Florida, northern district.....	15,915 00
Florida, southern district.....	600 00
Georgia.....	31,004 75
Illinois, northern district.....	38,570 75
Illinois, southern district.....	28,170 93
Indiana.....	17,231 00
Iowa.....	36,883 00
Kansas.....	33,327 00
Kentucky.....	82,420 00
Louisiana.....	34,118 00
Maine.....	15,912 00

Maryland.....	\$25,384 90
Massachusetts.....	52,785 00
Michigan, eastern district.....	39,446 60
Michigan, western district.....	17,975 00
Minnesota.....	18,255 00
Mississippi, northern district.....	7,009 00
Mississippi, southern district.....	10,051 00
Missouri, eastern district.....	66,211 00
Missouri, western district.....	10,490 92
Nebraska.....	37,500 00
Nevada.....	7,382 00
New Hampshire.....	3,979 00
New Jersey.....	22,255 66
New York, northern district.....	87,171 28
New York, southern district.....	70,338 39
New York, eastern district.....	11,851 00
North Carolina.....	37,270 00
Ohio, northern district.....	29,670 00
Ohio, southern district.....	60,690 20
Oregon.....	14,197 00
Pennsylvania, eastern district.....	35,772 00
Pennsylvania, western district.....	49,032 60
Rhode Island.....	6,348 00
South Carolina.....	39,190 00
Tennessee, eastern district.....	9,500 00
Tennessee, middle district.....	16,600 00
Tennessee, western district.....	14,925 00
Texas, eastern district.....	26,650 00
Texas, western district.....	10,483 00
Vermont.....	9,500 00
Virginia.....	25,000 00
West Virginia.....	26,347 41
Wisconsin.....	17,372 17
Colorado.....	30,970 00
Dakota.....	23,554 35
Idaho.....	6,046 00
Montana.....	17,000 00
New Mexico.....	25,794 50
Washington.....	21,563 00
Wyoming.....	4,324 00
Total.....	1,599,701 50

The amount paid to district attorneys, their assistants, and substitutes for the same period was one hundred and ninety-nine thousand one hundred and twenty-three dollars and eighty-nine cents, (\$199,123 89)

to United States commissioners, eighty-seven thousand seven hundred and ninety-five dollars and fifty-five cents, (\$87,795 55;) to clerks of the courts of the United States, seventy-nine thousand five hundred and sixty-eight dollars and two cents, (\$79,568 02;) and for miscellaneous expenditures, including rent of court rooms, one hundred and nine thousand seven hundred and three dollars and ninety-three cents, (\$109,703 93;) making in the aggregate two million seventy-five thousand eight hundred and ninety-two dollars and eighty-nine cents, (\$2,075,892 89,) being two hundred and eighty-six thousand seven hundred and fifteen dollars and thirteen cents (\$286,715 13) in excess of the expenditure during the preceding year. In addition to the estimated receipts from fines, penalties, and forfeitures, one million two hundred thousand dollars (\$1,200,000) will be required for this service during the next fiscal year. This sum is less by three hundred thousand dollars (\$300,000) than that appropriated for the present year.

The government has erected or purchased buildings in several of the districts, and appropriated them, in whole or in part, to judicial uses. This wise and liberal provision has not been made in many places where there is a large and increasing amount of litigation. The department, in such cases, has been compelled to lease private property on the best terms that could be obtained. It very rarely affords suitable apartments for court or jury rooms, or the other requisite accommodations. My predecessors have expressed the opinion, in which I fully concur, that the federal courts should be held in fire-proof buildings, specially constructed for the purpose by the United States, combining every convenience for promptly transacting business, with the utmost security for the preservation of the records and files. In some of the districts, courts are required to sit in more places than the necessities of the service demand. This arrangement causes considerable expense, without any corresponding benefit to the litigating parties or the public.

#### RAILWAYS AND WAGON ROADS.

The Union Pacific Railroad Company, during the last fiscal year, completed  $165\frac{8}{100}$  miles of railroad and telegraph, terminating at Promontory Summit. The distance therefrom to Omaha is  $1,085\frac{8}{100}$  miles.

The joint resolution of 10th April, 1869, provides: "That the common terminus of the Union Pacific and the Central Pacific railroads shall be at or near Ogden; and the Union Pacific Railroad Company shall build, and the Central Pacific Railroad Company pay for and own, the railroad from the terminus aforesaid to Promontory Summit, at which point the rails shall meet and connect and form one continuous line."

The connection was formed on the 10th of May last. This department has not, however, been advised of any agreement by the companies respecting the location of their "common terminus."

The company report that, since the connection, trains have been run with a regularity not surpassed on the oldest roads in the country, and

that an adequate force has been constantly engaged in making such improvements as would render their road in all respects equal to the standard prescribed. They furnish the following statement: Amount of stock subscribed, \$24,777,300; actually paid in, \$24,762,300; received from passengers from 1st July, 1868, to 30th June, 1869, \$2,453,672 45; from freight, \$4,423,463 39, and from telegraph, &c., \$465,135 32. The average number of miles of road operated during the year was 854  $\frac{1}{2}$ ; the gross earnings were \$7,342,271 16; and the operating expenses \$5,894,268 63; leaving as net earnings \$1,448,002 53. The entire cost of the road to 30th June, 1869, not including unadjusted balances with engineers and contractors, was \$92,748,762 14, and the indebtedness of the company at that date, \$67,986,462 14.

On the 14th August last, the commissioners appointed under the joint resolution approved 10th April, 1869, were instructed to examine the roads built by this and the Central Pacific Railroad Company, of California, and to report touching their location, construction, and equipment, and the sums, if any, that would be required to complete each of them for its entire length as a first-class railroad, in compliance with the requirements of Congress.

The commissioners have submitted their report. They are of opinion that there are no material errors in the general location of this road, but that the deviations from the accepted line at Promontory and Uintah Mountains should be corrected, and the bridge line at Omaha built so as to avoid the present heavy grade. The road-bed, the larger part of the way, is of proper width, though there are some places where the embankments should be widened. The bridges, culverts, and trestles are generally good structures. Some of the former should be strengthened and some of the latter filled up. The track is generally very good. The cottonwood cross-ties should be replaced by others of more durable material. The sidings are ample, amounting to fully nine per cent. of the length of the line. The road needs ballasting between Promontory and Ogden, and in the Platte valley. A machine shop at the junction of the two roads, and engine houses at three points, will be required. Freight cars are in excess of the wants of the road. The estimate for supplying deficiencies between Promontory and Ogden is \$206,000, and between the latter place and Omaha, \$1,380,100, making an aggregate of \$1,586,100. The company have on hand a surplus of material and supplies amounting to about \$1,800,000 in value.

While the location of the Central Pacific railroad is, in several places, open to criticism, there are no errors the immediate correction of which, in the opinion of the commissioners, should be required by the government. At a few points the embankments need widening. There are fifteen tunnels on the road, and those which require it are arched with wood. The bridges and trestles are in the same condition as those on the other road. In a distance of forty miles there are thirty-two miles of snow-sheds. The track is well adapted to high rates of speed. Some

additional ballasting is required. The sidings are about five per cent. of the length of the road. The machine shops are considered sufficient, except at the junction of the two roads. Additional engine houses are needed. The equipment is in excess of the wants of the road.

The commissioners estimate the sum required to supply deficiencies at \$576,650, and the value of the surplus material at more than \$1,000,000.

The original act required the completion of a continuous line of railway from the Missouri River to the navigable waters of the Sacramento "by the 1st day of July, 1876." The energy with which the work was prosecuted has been crowned with signal and unexpected success, as this great national thoroughfare was in use more than seven years before that date. It is not surprising, in view of the unprecedented rapidity with which it was constructed, that deficiencies, most of which are incident to all new roads, should have existed. Each successive report of the special commissioners who were from time to time appointed, shows that these deficiencies have been gradually and in a very great degree supplied. The aggregate material and equipment on hand exceed by \$637,250 the amount necessary to make the whole line conform in every respect to the demands of the law and the just expectations of the country. Under the circumstances, I had the honor to recommend the acceptance of the last sections. No patents have been issued to the first company, and the subsidy of \$1,670,400, on account of the fifty-two and one-fifth miles of road which were last constructed, has been withheld. The other company have received patents covering only 144,386  $\frac{53}{100}$  acres. It will thus be perceived that the government has ample means to secure from the companies the faithful performance of their respective engagements.

Three hundred and three-tenths miles of the Central Pacific railroad of California have been constructed since the date of the last annual report of this department. The distance from Promontory Summit to Sacramento is six hundred and ninety and three-tenths miles. The President of the Company has not submitted a report, as required by law.

Stock of the Kansas Pacific Railway Company, to the amount of \$5,072,500, has been subscribed and paid in. The receipts for transportation of passengers and freight from 1st September, 1868, to 31st August, 1869, were \$2,141,198 47, and the net earnings \$946,635 11. The cost of construction, surveys, right of way, and of real estate purchased, to the latter date, was \$23,705,757 43, and the then indebtedness of the company \$18,263,504 58. Including the Leavenworth branch, four hundred and thirty-eight miles of road have been constructed, and it is expected that the line to Denver will be finished and in successful operation during next summer.

Stock of the Central Branch Union Pacific Railroad Company to the amount of \$1,000,000 has been subscribed, and \$980,600 paid. The receipts for transportation of passengers and freight from 1st August, 1868, to 1st August, 1869, were \$109,064 31. The actual cost of the



road, fixtures, rolling stock, &c., is \$3,723,700; and the indebtedness of the company for borrowed money, railroad iron, and freights, \$98,834 29.

The Sioux City and Pacific railroad has been completed and accepted. Its length is one hundred and one and twenty-seven hundredths miles. The amount of capital stock of the company subscribed is \$4,271,000, of which \$1,677,900 has been paid. The receipts from the transportation of passengers and freight from 1st October, 1868, to 30th September, 1869, were \$233,724 25, and the operating expenses \$151,920 25. The cost of the construction and equipment of the road is \$4,236,503 49, and the indebtedness \$4,934,220.

The amount of stock of the Western Pacific Railroad Company subscribed, all of which has actually been paid in, is \$881,100. During the year ending 30th June, 1869, the receipts from passengers and freight were \$6,173 37, and the running expenses \$260 87. The indebtedness at that date, unsettled accounts with contractors not included, was \$851,000. Since the last annual report of the department eighty-three miles of their road have been built and accepted.

The foregoing statement of the business and financial condition of the companies has been compiled from the reports which they respectively filed in this department pursuant to the act of 25th June, 1868. Neither the Northern Pacific, the Atlantic and Pacific, nor the Southern Pacific Railroad Company have complied with the act, and I am not officially advised of their doings. Certain public lands were withdrawn on account of the latter company. As they were not, in the opinion of my immediate predecessor, situate on the authorized route of the road, he issued an order for their restoration to market. He subsequently allowed a temporary suspension of that part of the order which related to the sections lying south of San José, as the company desired time to produce proofs and arguments. After fully considering them I had no doubt that the order was obviously just and right, and on the 2d instant I directed it to be carried into effect.

Pursuant to the authority conferred by the act of 3d March, 1869, the Kansas Pacific Railroad Company entered into a contract with the Denver and Pacific Railway and Telegraph Company for the construction, operation, and maintenance by the latter of that part of the road of the former company which extends from Denver to Cheyenne. A copy of the contract and a map of the route between those points have been filed in this department, and the granted lands withdrawn from market.

One thousand dollars appropriated by an act of 3d March, 1869, have been expended in completing the bridge over the Dakota River, and in locating and surveying the wagon road between it and the Vermilion River. There is a balance of \$45 53 of the appropriation for the bridge across the Big Sioux River, and for the wagon road between Sioux City and the mouth of the Big Cheyenne River. No further work has been done on the road from Virginia City, Montana, to Lewiston, Idaho. It was opened for pack trains in 1867, and in the opinion of the sup

tendent, nothing more was required, or could be done for a large portion of the way. There is an unexpended balance of \$8,025 24 applicable to that improvement. Operations on the road from the mouth of the Big Cheyenne to a point on the Niobrara road were suspended in 1867, and have not been resumed. It crosses the reservation set apart for the different bands of Sioux Indians, under the treaty concluded by them with the United States, at Fort Laramie, and proclaimed on the 24th day of February last. The balance of the appropriation on hand is \$5,687 70.

#### PUBLIC DOCUMENTS.

The laws providing for the distribution of the statutes and other publications have, as far as practicable, been executed. Public documents from the commencement of the thirty-sixth to the fortieth Congress, inclusive, a copy of "American Archives," "Annals of Congress," and "American State Papers, second series," all carefully boxed, will be sent to the several territorial governments which have not heretofore received them, on their signifying a willingness to incur the cost of transportation. Congressional documents are also held to supply one public library, or an incorporated institution, in each congressional district of the States lately in rebellion.

In conformity with an act of Congress of March 3, 1869, about thirty-one thousand volumes have been collected from executive departments and public offices, and deposited in this building. There is a very large accumulation of broken sets of documents, and authority should be given to sell, exchange, or distribute such odd volumes as are not needed to supply deficiencies in the Library of Congress, or in that of either of the executive departments.

I recommend a repeal of so much of the laws as provide for inserting in the "Biennial Register or Blue Book" a list of the several post offices, postmasters, mail contractors, clerks in post offices, mail route messengers, letter-carriers, &c., &c., in the several States and Territories. The last number of the register has eight hundred and seventy-seven pages, of which five hundred and forty-four are appropriated to the postal service. The Post Office Department issues biennially a work containing an alphabetical list of the offices, with the names of the postmasters annexed, the offices arranged by counties and States, tables of distances, rates of postage, and other valuable information. Duplicating the same matter in a separate publication is worse than useless. The names of the officers of that department on duty in Washington might be retained in the register, and the remainder of the postal statistics excluded.

#### CAPITOL.

The architect reports various changes, repairs, and improvements in the Capitol extension during the past year. Many of the rooms and

passages have been painted, and the Senate post office room has been rearranged. Four pictures in fresco have been added to the ceiling of the Senate retiring room, the granite steps reset, and the cleaning and pointing of the marble continued.

The repairs of the wings and heating apparatus were formerly ordered by the officers of the two houses, and paid for by specific appropriations. An act of the 3d of March last, provides that all improvements, additions, and repairs of the Capitol shall be made by the direction and under the supervision of the architect, and be paid for out of the appropriation for the Capitol extension. The estimate for next year includes the probable cost of such repairs, and that of flagging the upper terraces with Seneca stone, and surrounding their outer edge with a broad granite coping. New sky-lights have been placed over the lanterns in the central building. The inner sash over the old hall of the House of Representatives has been removed, and the interior of the lantern refitted and supplied with a row of gas-burners, which are lighted by the battery of the dome. Six committee rooms have been fitted up, and the books and documents which were stored in most of them deposited in the cellar story, into which heated air has been introduced. Steam radiators have also been placed in the central passages near the western doors, and the furnaces taken from the crypt. The architect recommends that, next season, steam coils be substituted for the old and worn hot-air furnaces, as at once more pleasant and economical.

A room connected with the office of the Secretary of the Senate has been fitted up, pursuant to the provision of the Senate resolution of 19th April last, and other rooms shelved, to receive duplicate documents. Much of the exterior of the central building has been painted. Several coats were necessary to prevent the disintegration of the cornice and balustrade which are exposed to the weather; the necessary repairs have been done on the new dome, and two men constantly employed in keeping the interior in proper order for visitors.

The buildings not necessary for the work in progress, have, with the exception of the fire-engine house, been removed from the uninclosed grounds adjoining the Capitol. Early measures should be taken to determine the extent of these grounds, to embellish them, and to lay out and improve the surrounding streets. If the eastern front of the central portion of the Capitol is not to be extended, the space in front of it should be paved, and the sidewalks flagged.

The portico and railing of the north front of this department have been completed, and the contiguous side-walk suitably flagged. G street, from Seventh to Ninth street, has not been paved. The owners of the greater portion of the property on the north side of it express a preference for a wooden pavement, and I deem it better suited than any other to a thoroughfare bordering upon public offices. Seven thousand dollars in addition to the funds on hand, (\$1,775 60,) will be required to meet

so much of the expense of this improvement as will be chargeable on the United States.

The improvements of the eastern portion of the City Hall, authorized by Congress, 20th July, 1868, have been completed. An appropriation of \$1,000 is necessary for general repairs and the purchase of hot-air furnaces for the court-room. There is an unexpended balance of \$300 53.

The appropriations asked for make an aggregate of \$112,000, viz: Capitol extension, \$75,000; Capitol repairs, \$10,000; new dome, \$4,000; filling and grading Capitol grounds, \$15,000; paving G street from Seventh to Ninth, \$7,000; and City Hall, \$1,000.

#### BENEVOLENT INSTITUTIONS.

The whole number of patients in the Government Hospital for the Insane, during the year ending June 30, 1869, was 495, a number greater by 63 than were treated during the previous year; 252 were from the army and navy; 46 were pay patients; 33 died; 72 were discharged as recovered, 12 as improved, and 9 as unimproved; leaving under treatment at that date 369, a number exceeding by 40 that remaining at the same date of the preceding year. Two thousand six hundred and twenty-nine persons, of whom 1,243 were native-born, have been treated at the institution since it was opened. The estimate for the support of the institution is \$90,500. That sum was appropriated for the purpose during the current year. The superintendent recommends the erection of an additional building, and the completion of the wall inclosing the original grounds; but, after a full consideration of the subject, I have not felt at liberty to submit an estimate to cover the expense of these improvements.

During the last fiscal year there were treated by the officers of the Columbia Hospital for Women and Lying-in Asylum 739 women, of whom 33 were pay patients. Six hundred and forty-nine were restored to health, 20 relieved, 2 sent to the Insane Asylum, 12 died, and 56 remained under treatment. The following are the estimates for the next fiscal year: For subsistence, medicine, salaries, fuel, light, and bedding, \$15,000; for rent and furniture, \$3,000; making an aggregate of \$18,000. They are the same in amount as those submitted for the current year. The appropriation, however, was but \$10,000, being less by \$5,000 than that for the year preceding it. The directors renew their request for the sum of \$60,000 for the purchase of a site and the erection of buildings. An appropriation for this purpose was recommended in the last two annual reports of the department, provided that the title of the property, when acquired, be vested in the United States. The expediency of acceding to the request is submitted for consideration. I avail myself of this opportunity to express the earnest desire that the claims of this excellent and well-conducted institution upon the bounty of Congress will be cheerfully recognized, and such aid extended as will secure its permanent success and enable it to bestow more largely its benefactions.

During the last fiscal year 13 pupils were admitted into the Columbia Institution for the Deaf and Dumb. The number of those now receiving

instruction is 82, of whom 16 are supported by the State of Maryland, 3 by the city of Baltimore, and 8 by their friends; 55 are beneficiaries of the United States, of whom 25 from the States or Territories are students in the collegiate department. Congress originally provided only for the support and education of indigent deaf-mutes who resided in this District, or were the children of persons actually in our military or naval service. Subsequent legislation extended, free of charge, the privileges of the collegiate department to this class of sufferers in the States or Territories. The number is limited to 25, and the directors recommend that it be increased to 40. The appropriation for the maintenance and tuition of pupils during the current year is \$45,000, being \$13,500 in excess of the estimates therefor. During the last fiscal year the disbursements for the support of the institution were \$48,548 22, exceeding the receipts by \$4,201 47; and at its close there remained of the appropriations for the erection of buildings and the improvement of the grounds the sum of \$5,224 70. The directors have furnished the following estimates for the year ending 30th of June, 1871: For the support of the institution, including salaries, incidental expenses, and the maintenance of the beneficiaries of the United States, \$40,775; for the completion of the main central building, \$94,087; for improvement of the grounds, \$5,000—making an aggregate of \$139,862; being \$94,862 in excess of the appropriation for the current year. The contracts for building, however, were made under the authority of pre-existing law, and every reason is in favor of the speedy completion of the work, so that the institution may enjoy its use. The experiment of giving to deaf-mutes more extended instruction than they had previously enjoyed has been eminently successful, and proves that there is no obstacle to their acquiring a full collegiate and scientific education which may not be overcome. A new scope is thus offered to their activity, and fields of employment and ambition opened to them from which they have heretofore appeared to be barred. It may be proper to note the fact that one of the recent graduates of this institution is now doing acceptable work as a second assistant examiner in the Patent Office.

#### JAIL AND HOUSE OF CORRECTION.

On the 31st ultimo, there were 81 prisoners in the custody of the warden of the District jail. During the year preceding that date, 1,199 persons were committed; 269 were convicted of various misdemeanors, and 67 sentenced to imprisonment at hard labor in the penitentiary at Albany. The expenses, including the cost of the transportation of prisoners, were \$46,187 70.

Provision was made for a new jail. The site therefor, originally adopted, was disapproved. Pursuant to the directions of a joint resolution of March 2, 1867, a new site, known as reservation No. 17, was selected and measures taken for the erection of the building. Congress, at the following session, ordered the work to be suspended for a specific period. My immediate predecessor, in his last annual report, stated his

reasons for not resuming the work, and hoped that Congress would take prompt and decisive action in regard to it. There was no additional legislation, and I have declined to proceed until after the attention of Congress should have been called to the subject.

Statutory provision has for several years existed, authorizing the establishing of a reform farm and school for youthful criminals or incorrigible boys within the District of Columbia. A temporary building has been erected, but no school has, until within a very brief period, been opened. The present board of trustees are desirous of making the institution adequate to the necessities of the District, and of organizing it upon the plan known as the family plan, which has produced very gratifying results in several of the States and in some parts of Europe. A careful examination of the work of the principal institutions of this kind will show that no means for the protection of the public from crimes is so efficient as the enforced education of the young offender. The ordinary modes of punishment generally return a more hardened criminal to the community, on the expiration of the sentence. No part of our correctional system has stronger claims, or confers greater benefits, upon society, than the reform school. I most cordially recommend such appropriations as may enable the trustees to receive all the youths of the District who may be convicted of offenses, or sent to the school by the proper judicial action, and to give them instruction in agriculture, horticulture, and mechanical trades, as well as the ordinary moral and intellectual training.

#### METROPOLITAN POLICE.

The members of the Metropolitan Police force actively and efficiently performed their duties during the past year. Seventeen thousand two hundred and ninety-six arrests were made, 3,146 of which were females; 10,247 of those arrested were unmarried, and 7,178 could neither read nor write; 6,712 were dismissed, 33 turned over to the military, and 865 committed to jail; 308 gave bail for their appearance at court, 1,644 were sent to the workhouse, and 557 required to enter into bonds to keep the peace. Minor punishments were inflicted in 596 cases. In 6,581 cases fines were assessed amounting to \$27,481 30; 4,019 destitute persons were furnished with temporary lodgings; 170 lost children were restored to their homes; and 236 sick and disabled persons were assisted and taken to the hospital. Of the number arrested, 11,255 were charged with offenses committed upon the person, and 6,041 with offenses against property. The detective force made 487 arrests, recovered lost or stolen property to the amount of \$12,463 18, and rendered other valuable services.

Attention is invited to the expediency of providing a central office or headquarters for the use of the board and members of the Metropolitan Police force. There is an unexpended balance of about \$23,000 of past appropriations for expenses which might be used in the erection of such a building, should Congress sanction the project and provide a suitable site.

There is an urgent necessity for a court in this city for the summary trial of minor offenses. I fully concur in the views presented on this

subject in the last annual report of the department, and deem further comment entirely superfluous.

#### TERRITORIAL PENITENTIARIES.

Proposals have been issued and contracts made for the erection of one wing of the penitentiary in each of the Territories of Colorado and Idaho. More could not be undertaken on account of the limited amount of funds at my disposal, and the exorbitant price of labor and materials. The portions which are now constructing will, it is believed, amply suffice for present wants, and furnish convenient and secure prisons. Should a larger number of cells be hereafter required, Congress can provide them by adding the center buildings, and, if necessary, the other wings, in accordance with the original plans.

The superintendent of construction for the penitentiary in Montana has not concluded a contract for the work. The causes which rendered it impracticable, two years since, to execute the act of Congress touching penitentiaries in the remaining Territories have not been removed.

#### CIVIL SERVICE.

My predecessor remarked in his report for 1866—"No one, with the most limited experience in an executive department, can, I believe, avoid the conclusion that its efficiency would be largely promoted by a radical change in the organization of its clerical force;" and in that for 1868, "It is my settled opinion, the result of much reflection, and of experience in my present position, that the efficiency of the clerical force would be essentially promoted by thoroughly reorganizing it." He added, "It is hoped that a subject of so much importance to the successful working of the executive departments will receive the consideration it so well merits." I fully concur in the opinions and unite in the hope he expressed. The first measure of reform is to raise the standard of qualification; make merit, as tested by the duty performed, the sole ground of promotion, and secure to the faithful incumbent the same permanence of employment that is given to officers of the army and navy. Under the present system, the general conviction among the clerks and employés is that the retention of their places depends much more upon the political influence they can command than upon energy or zeal in the performance of duty. After a careful examination of the subject, I am fully persuaded that the measure I have suggested would have enabled this department to do the work of the past fiscal year with a corps of clerks one-third less in number than were found necessary. Special knowledge and skill are indispensable for the proper performance of much of the clerical labor of most of the bureaus, and can only be acquired in time and with great labor. An intimate familiarity with the statutes bearing upon the subject under investigation, with the rules and regulations of the department, and with the practice in relation thereto, is necessary for the accurate and rapid transaction of business; yet it is safe to say that, under our present customs, very few clerks are retained in place long enough to learn their duties and perform them

with dispatch, and that there is no inducement offered them to make any real effort to that end. An experienced clerk is a repository of the law, the history and the traditions of the department, and may often, by a word or suggestion, expose a fraud which might otherwise escape unnoticed, indicate an important fact of which there is no record, or in a thousand ways save his superior from imposition or from a long and laborious investigation. Yet such is the singular anomaly of our system, that the very fact that a man had been retained in place during a change of administrations has been commonly held to be a sufficient political reason for demanding his removal. My own conviction is very strong that the advantages supposed to be gained in this way are as unreal and delusive as the mischiefs are substantial and certain.

The evil does not stop with the increased cost and diminished value of the clerical labor itself. It has given rise to a practice of office-seeking, which goes far to prevent the proper performance of their duties by the highest officers of the government. During the first three months after the inauguration of a new President, nearly the whole time of his confidential advisers is occupied by applications for office, and it is impossible, either before or after the ordinary business hours, to get sufficient time for the careful study of the larger duties pertaining to the departments, or of questions of public interest. The devices used by applicants to obtain an audience make it impossible to discriminate between those who have important public business to transact and those who have not. The only mode of relief is to change, entirely, the habits of easy access, which ought to mark all officers of the republic, and this, of itself, shows the necessity of a reform.

Theoretically it would seem that the remedy is in the hands of the executive and departmental officers; but practically, the custom has become so firmly established, that members of Congress are forced to yield to the importunity of their constituents, and are unable to get relief except by urging appointments and removals upon the executive departments. Thus public business is most seriously embarrassed and retarded, and changes are sometimes made because in that way alone does it seem possible to get room for the ordinary action of the administrative machinery. In this matter, the custom established for forty years has so much the effect of law, that no remedy seems adequate except to give permanence to the subordinate branches of the civil service by legislation, making capacity and integrity the sole tests of the fitness of the applicant, and throwing competition open to all.

If there were no hope for speedy legislative action, I am well aware that this statement would be a useless display of an unpleasant subject; but the fact that public attention is already directed to it, and that measures are pending in Congress designed to cure the acknowledged evil, seems to make an unreserved declaration of the truth a public duty.

I am, sir, very respectfully, your obedient servant,

J. D. COX, *Secretary.*

*The PRESIDENT.*



# P A P E R S

ACCOMPANYING

## REPORT OF THE SECRETARY OF THE INTERIOR.

### REPORT OF THE COMMISSIONER OF THE GENERAL LAND OFFICE.

DEPARTMENT OF THE INTERIOR,  
*General Land Office, November 1, 1869.*

SIR: Pursuant to the Senate's resolution of July 28, 1855, the following is submitted as an abstract of the report of this office for the fiscal year ending June 30, 1869:

First. That system has extended to all the public land States and Territories of the republic, except Alaska and Wyoming, in which the public land system is not yet inaugurated. Surveying operations are intrusted to surveyors general in fifteen different surveying departments, each having a surveyor general, with corps of deputies. The disposal of the public domain is in charge of registers and receivers in seventy-three different land districts.

In Ohio, Indiana, Illinois, Michigan, Missouri, Alabama, Mississippi, Wisconsin, and Iowa, the surveys are completed, and archives transferred to the State authorities. The surveying service is in progress in Oregon, California, Nevada, Kansas, Nebraska, Minnesota, Louisiana, and Florida, and in the Territories of Dakota, Colorado, New Mexico, Utah, Idaho, Montana, Washington, and Arizona, the last named being attached to the surveying district of California. The field service in Louisiana and Florida is now nearly completed. The policy of the government has always favored the rapid transfer of its proprietary interest to individual ownership. During the fiscal year ending June 30, 1869, advance in this respect has been reached by the disposal—

	Acres.
Second. For cash, with a small amount of military scrip..	2,899,544.30
Location of bounty-land warrants.....	449,780.00
Homestead entries under acts of 1862, 1864, and 1866....	2,737,365.05
By agricultural college scrip, under act of July 2, 1862...	352,664.86
Certified for railways and wagon roads under different acts of Congress.....	746,769.51
Approved to States as swamps, under acts of 1850, and selected as indemnity .....	455,768.49
Located with Indian scrip.....	24,259.76
<b>Aggregate disposal of land during the last fiscal year ending June 30, 1869.....</b>	<b>7,666,151.97</b>

Being an increase over the fiscal year next preceding of over one million acres.

Third. The cash receipts for ordinary sales, pre-emption, (including a small quantity of military scrip received as money;) for the \$5 and \$10

homestead payments; for commissions on homesteads; fees for locating agricultural scrip and military bounty-land warrants; for fees on pre-emptions, donations, railroad selections; for certified transcripts, making an aggregate cash receipt during the said fiscal year ending June 30, 1869, of \$4,472,886 28, being an increase over the year next preceding of \$2,840,160.38.

These results show a gratifying increase in the number of freeholds by actual settlers. The policy of the land system tends to the diffusion of proprietary rights in the soil, thereby increasing the stability of the social system in the several communities of the west.

Fourth. Immigration.—The rapid extension of our western settlements, largely due to the influx of foreign immigration, shows that more than the usual proportion of the intelligent and moneyed classes of Europe have become interested in our extraordinary resources; the improved character of foreign immigration being due, it is believed, to the authoritative dissemination of official information in Europe respecting the landed interests of the republic. In addition to the enormous increase of societary movement from immigration, the direct contribution to our natural wealth in the form of active capital brought to this country merits attention. It is conceded that alien immigrants bring with them an average of sixty-eight dollars per head, and that at this rate the money thus imported from 1790 to 1860 would not be less than four hundred millions in gold.

Fifth. Sketches given of the United States surveying system, as inaugurated in 1785 and modified by successive congressional enactments, consisting of base lines, meridians, standards, parallels, guide meridians, township and section lines. The system extends through the public land States and Territories, except, as aforesaid, Alaska and Wyoming, and has led to the establishment of twenty principal bases, and twenty-three principal meridians, the whole of the surveys resting on these bases and meridians, which govern and control all subdivisional extensions of the public lands, embracing—

Sixth. An aggregate area of acres ..... 1,834,998,400

Seventh. There have been surveyed during  
the last fiscal year—acres..... 10,822,896

Involving 40,849 lineal miles of surveying,  
measuring, and marking in the field. This  
added to the extent of prior surveys,  
amounts to—acres..... 497,744,856

Requiring perambulations of surveyors,  
equal to 1,514,826 lineal miles, and  
making—

Eighth. A grand aggregate of..... 508,567,752

acres surveyed from the foundation of the system to the  
30th June, 1869, leaving—

Ninth. The unsurveyed area—acres ..... 1,326,430,648

Tenth. The personnel of the surveying service during the last fiscal year, consisting of surveyors general, deputy surveyors, with their field parties, draughtsmen, clerks, and other employes in the surveying departments, is equal to one thousand persons engaged in the prosecution of the public surveys.

## LAW OF PROPERTY, PRE-EMPTION AND HOMESTEAD TITLES.

Eleventh. The principles considered upon which rights of property rest. Habits of settled industry and permanent residence shown to be essential to civilization. No nation has entered upon a career of civilization without abandoning the community of landed estate and admitting the rights of private property. Considerations presented as to the origin of the rights of property. A glance taken at the theories of leading publicists, in this respect—Grotius, Puffendorf, Rutherford, and others. The fundamental principles of public order essential elements in the organization and administration of the public domain.

Twelfth. The general government has admitted the usufructuary Indian titles and extinguished them by purchase as westward expansion of civilization has rendered it necessary. It is a prominent feature in the legislative mind to favor a policy of transferring to individuals titles to the soil by the most speedy process. The anxious attention of our statesmen was occupied with the subject a whole year in framing the "ordinance" in that respect, which was the nucleus of the series of enactments intended to adapt the land system to the wants of successive periods of our history.

Thirteenth. Early legislation made liberal land appropriation as bounty to the military, indicating the nation's gratitude for their inestimable services, and provided for cash sales—the minimum price, after successive legislation, being placed at \$1 25 per acre, by the act of April 24, 1820.

Fourteenth. The act of 1807 declared it unlawful to make settlements on the public lands. Under the pressure of the great western movement Congress passed a series of pre-emption statutes, retrospective at first, and finally passed the prospective, permanent pre-emption act of 4th September, 1841. That act, however, with the law of 3d March, 1843, was restricted to *surveyed* lands. By certain acts of 1853 and 1854 the pre-emption system was still further enlarged, so that the title of settlers could have inception on lands before survey. These wise measures have opened avenues to independence and wealth to multitudes of individuals.

Fifteenth. Modifications to perfect pre-emption system recommended by admitting joint entries, in certain cases, to embrace the dwellings and valuable improvements of two or more grantees who had settled before survey and afterward were found on the same legal subdivision; also, in fixing specific limits as to time within which pre-emptors on unoffered land shall render proof and payment.

Sixteenth. Homesteads.—The disposal of lands as intended by the homestead laws. By act of June 26, 1866, the lands in Alabama, Mississippi, Louisiana, Arkansas, and Florida, are restricted in disposal to homestead entries.

Since last report 2,737,365.05 acres have been disposed of under the homestead enactments, being an increase of 408,441.80 acres over the aggregate of the year next preceding. The total fees and commissions amounted to \$315,419.45, while the total expense of the General Land Office and of seventy-three district land offices did not exceed \$453,816.43.

Seventeenth. The conclusion is reached that, by the direct or indirect operations of the land system, 60,000 small farms, during the last fiscal year, have been added to the agricultural freeholds of the United States, being nearly double the number of land owners in England, according to the British census of 1861. The pre-emption principle has been

applied to town sites, giving great facilities for building towns and cities on the public lands.

**Eighteenth.** If to the rural we add the urban proprietors, we have an aggregate of nearly five and a half millions of land owners, about one in every eight of the population. History may be challenged for a parallel to these facts.

**Nineteenth.** Leading rulings presented under the pre-emption and homestead laws.

**Twentieth.** Land grants in aid of popular education, on the assumption that government, as the organ of society, is vested with the power to meet this social necessity. Hence, in the ordinance of 1785, the sixteenth section in every township was set apart for the endowment of schools. At a later period the grant has been duplicated by adding the thirty-sixth to the sixteenth section. While endowments have also been made for institutions of a higher grade, advancing still further in this noble policy, Congress, in the act of 1802, conceded to the States 30,000 acres for each senator and representative, under the apportionment of 1860, for the support of agricultural and mechanic colleges. Details given in regard to this measure.

**Twenty first.** Concessions in aid of internal improvements; leading cases given, with the status of each under special grants.

**Twenty-second.** Cities and towns on the public lands. Town-site acts of March 2, 1867, and June 8, 1868, having given new impetus to the building of cities on the public domain, several rulings are presented. It is estimated that thirteen thousand towns, cities, and villages, have been established on the public lands.

**Twenty-third.** The establishment and re-opening of land offices. Adjustment of boundaries of land districts. Land offices, pursuant to the President's order, have been removed from Omaha to West Point; Nebraska City to Lincoln; from Brownsville to Beatrice; and an additional office, at Grand Island, has been opened. Boundaries of the Aurora land district, in the States of Nevada and California, have been adjusted according to the lines of the public surveys. A land office at Los Angeles has been opened. The office formerly at Winnebago City, Minnesota, has been transferred to Jackson. Pursuant to act of 25th July, 1868, an office has been established at Alexandria, Minnesota.

**Twenty-fourth.** Accounts of receivers of public moneys and disbursing agents, surveyors general, and deputies, have all been adjusted to recent dates; measures taken to insure rigid responsibility and prompt deposits. Reference made to the inhibition as to all General Land Office employes being interested in any tract of public land, with recommendation that such inhibition shall be extended to all persons connected with the local land administration in the several States and Territories.

**Twenty-fifth.** Outline given of laws and regulations regarding repayment of public moneys in case of error in sale and change of entries.

**Twenty-sixth.** Suggestions in regard to inundated lands.

**Twenty-seventh.** Report of the steps taken to establish the boundary line dividing New Mexico from Colorado, with details of interest incident to the service.

**Twenty-eighth.** Report of the change which has taken place in the bed of the Missouri River, above Dakota City, in Nebraska.

**Twenty-ninth.** Details given as to the duties enjoined by law on the Commissioner of the General Land Office for the survey of Indian reservations; full report of proceedings had in that respect. Mendocino reserve restored to the masses of public land by act of July 27, 1868, and ordered to be surveyed and sold. The return of survey shows its

area to be 24,930.68 acres. Osage lands acquired by treaty with the Indians September 29, 1865, being in the southern part of Kansas, embraces 4,041,937 acres—survey completed. Report made of the proceedings ordered in view of the joint resolution approved April 10, 1869.

**Thirtieth.** Patents in the aggregate have been issued by the General Land Office to individual Indian reservees for nearly three million acres under treaty with the Shawnees, Kickapoos, Ottawas, Senecas, Kaskaskias, Peorias, Piankeshaws, Weas, Yanktons, Wyandots, Sacs and Foxes, Chippewas, Stockbridges, Winnebagoes, Delawares, Omahas, Iowas, Kansas, Poncas, Pawnees, Pottawatomies, Miamis, New York Indians, Choctaws, Creeks, Osages, Otoes, Cherokees, Quapaws, and mixed bloods.

**Thirty-first.** Individual titles derived from foreign governments prior to the acquisition by treaty of certain territories. The policy of the United States has been the most liberal in this respect. Such rights have been sacredly protected by this government, not only in regard to titles *in form*, but even including claims not resting on written title, where continuous actual settlement existed prior to change of government. The equitable rulings are given of our judicial tribunals in this respect, expansive enough to embrace every species of honest title.

**Thirty-second.** Report given of the geological and mineral interests of the United States, values indicated, and immense wealth of the republic shown in this respect.

**Thirty-third.** The proceedings indicated by which claimants may obtain mining titles under the acts of Congress of July 20, 1866; all the steps to be taken in the consideration of such interests are plainly shown.

**Thirty-fourth.** The railway system of the United States described; its inception, progress, and expansion, with results, present and anticipated, to the civilization and prosperity of the American people. Full details given.

**Thirty-fifth.** Classification of the several States and Territories according to their geographical position and special adaptability to staple products.

*First division.*—Region of the Gulf States, specially adapted to the culture of cotton, sugar, rice and semi-tropical fruits, in addition to the cereals, esculents, and fruits of other sections, embracing the public land States of Louisiana, Mississippi, Alabama, Florida, and Arkansas. Details given in regard to said States, quantity of public land undisposed of in each, with incidental remarks in regard to adjoining States not in the public domain.

*Second division.*—Region of cereals, esculents, fruits, and other products indigenous to the temperate zone. Ohio, Indiana, Illinois, Michigan, and Wisconsin, on the east side of the Mississippi River; Missouri, Iowa, Minnesota, Kansas, Nebraska, and Dakota, west of that river. Details presented as to area, resources of each of these divisions, the quantity of land there undisposed of being shown.

*Third division.*—Mineral, grazing, and vine-growing region, embracing New Mexico, Colorado, Wyoming, Montana, Idaho, Utah, Arizona, and Nevada. Similar particulars to those above indicated being given in regard to each of them.

*Fourth division.*—Agricultural and mineral region of the Pacific coast, consisting of California, Oregon, Washington Territory, and Alaska; area, resources, and progressive development of each indicated.

RESULTS OF THE PUBLIC-LAND SYSTEM, AND FACTS PRESENTED AS TO  
OUR TRADE.

The annual report is accompanied by reports of surveyors general of the field operations. Maps of the public land States and Territories have been prepared; also connected map of the United States, showing the extent of public surveys, localities of land offices, and surveyor generals' offices, railroads, and other topographical characteristics of interest, and map of the world on Mercator's projection, indicating routes of the commerce of the globe.

There is also with the report a tabular statement, showing the public lands sold, entered under the homestead laws, and located with agricultural college scrip; the cash, bounty-land scrip, and agricultural college commissions; homestead payments, and commissions for the first half of the fiscal year; also, a statement showing like particulars for the second half of the fiscal year ending June 30, 1869.

Summary for the fiscal year ending June 30, 1869, showing the number of acres disposed of for cash, and various other heads.

Statements showing the quantity of swamp selections, for the year ending June 30, 1869, for the several States, under the acts of 1849, 1850, and 1860; also, statements showing the quantity approved and the quantity patented to the several States, for the same period, under said acts, with the quantity certified to Louisiana under the act of 1849.

Statement of selections, by several States, under the internal improvement grant of 1841, up to the 30th June, 1869.

Exhibit of bounty land business under acts of 1847, 1850, 1852, and 1855, up to the 30th June, 1869.

Statement showing the selections, by certain States, of land within their own limits, under agricultural and mechanic acts of 1862, 1864, and 1866; also, the locations made with scrip under said acts.

Statement exhibiting land concessions, by act of Congress, for railroad and wagon-road purposes, from the year 1850 to June 30, 1869.

Statement exhibiting land concessions, by act of Congress, to States, for canal purposes, from the year 1827 to June 30, 1869.

General tabular statement, showing the area of the several States and Territories containing public lands, the quantity of lands disposed of, by sale or otherwise, in each, up to the 30th June, 1869, and the quantity of land remaining unsold and unappropriated at that date in the several States and Territories.

Historical and statistical table of the United States of North America.

Estimate of the expenses for this office, for the district land offices, and for the surveying department, for the year ending June 30, 1871.

A paper presenting the Commissioner's views as to the relative powers of the Executive and Judiciary in regard to issues in the administration of the public lands.

Respectfully submitted.

JOS. S. WILSON, *Commissioner*.

Hon. J. D. COX, *Secretary of the Interior*.

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DEPARTMENT OF THE INTERIOR,  
*General Land Office, November 1, 1869.*

SIR: The administration of the public land system during the fiscal year ending June 30, 1869, has been extended to all the public land States and Territories of the republic except Alaska and Wyoming, in

which two Territories that system has not yet been inaugurated, no authority of law having yet been conferred on the subject.

Operations pursuant to land legislation have been conducted under the direction of two classes of functionaries: first, surveyors general, aided by corps of deputies of professional skill in fifteen surveying districts; second, by registers and receivers in seventy-three land districts. To the former class of officials is intrusted the extension of the public surveys over the entire area of the public domain.

In Ohio, Indiana, Illinois, Michigan, Missouri, Arkansas, Alabama, Mississippi, Wisconsin, and Iowa, the entire surveying service has been completed. Accordingly the records of former surveyors general have been placed in the archives of the aforesaid States, respectively. Pursuant to acts of Congress approved June 12, 1840, and January 22, 1853, (Statutes, vol. 5, page 384, vol. 10, page 152,) surveyors general are still under appointment in the States of Oregon, California, Nevada, Kansas, Nebraska, Minnesota, Louisiana, and Florida, and in the Territories of Dakota, Colorado, New Mexico, Utah, Idaho, Montana, and Washington, Arizona being attached to the surveying district of California. In several of these departments the work has been nearly completed. During the past fiscal year surveys have been extended over 10,822,812 acres.

To the second class of public officers referred to is committed the immediate disposal of the public lands, after survey, under the various enactments of Congress. The policy of the government has always contemplated a rapid transfer of its proprietary title to private ownership; each successive phase of our national development giving rise to an increased liberality in the execution of this high trust, necessarily enlarging the details of the system. The variety of the methods adopted from time to time for the disposal of the national territory is partially illustrated in the following statement of the public lands disposed of during the year ending June 30, 1869:

	Acres.
Cash sales, including a small amount of military scrip....	2,899,544.30
Locations of military bounty-land warrants.....	449,780.00
Homestead entries under the acts of 1862, 1864, and 1866..	2,737,365.05
Locations of agricultural college scrip, under act of July 2, 1862 .....	352,664.86
Certified to railways and wagon roads, under various acts of Congress.....	746,769.51
Acres approved to States as swamp land, under act of September 28, 1850, 451,295.30, and selected as indemnity for lands in place, covered by adverse rights, 4,473.19; total..	455,768.49
Locations of Indian scrip .....	24,259.76
Aggregate disposal during the year.....	<u>7,666,151.97</u>

Showing an increase, as compared with the fiscal year next preceding, of over one million acres.

The cash receipts during the same period for ordinary sales and pre-emptions, including a small quantity of military scrip received as money; for the \$5 and \$10 homestead payments; for commissions on homesteads; for fees in the location of agricultural college scrip; for same in the location of military warrants; for fees in pre-emption cases, on donations on railroad selections, and on certified transcripts, under the acts of 1861 and 1864, make an aggregate received during the year

terminating the 30th of June last, of \$4,472,886 28, an increase over the year preceding of \$2,840,140 38. From the returns, so far as received, it is estimated that for the quarter ending 30th September, 1869, there have been taken by cash sales, bounty-land locations, homestead entries, and agricultural college scrip, about one million seven hundred thousand acres, and that the cash receipts for that quarter for sales and warrant fees compare well, and reach in the aggregate nearly a million dollars.

The locations of military bounty-land warrants and of agricultural college scrip during the aforesaid fiscal year ending June 30, 1859, exhibit a decrease as compared with the year preceding, while the other items present a marked advance, especially the homestead entries and cash sales, the latter embracing more than three times the quantity sold during the fiscal year ending June 30, 1868, and the total quantity disposed of is greater than in any previous fiscal year since 1860.

From the data above presented it is evident that American civilization is expanding at an accelerating ratio over the continent. The very large advance in the homestead, pre-emption entries, cash sales, and military bounty-land warrant locations indicates a gratifying increase in the number of freeholds, being mostly appropriated by actual settlers of small farms, generally not exceeding one hundred and sixty acres each. The land concessions under grants for railroads, so far as it is possible to gather from public information, exhibit a tendency also to subdivision of proprietorship. The experience of the world has shown that such tendencies are in the direction of a normal civilization, by enlarging the number of persons having a landed interest in the preservation of social order.

Temporary causes, it is true, have, during the last three years, stimulated the westward movement of our population, as shown by the increased annual appropriation of the public domain by private parties. Inactivity of general business, and partial depression in several branches of manufacturing industry in the older States, have made available a considerable amount of capital and labor for re-investment in the younger landed States and in the Territories. The ultimate result, however, cannot fail to be beneficial. In the first place, individuals are induced to improve their circumstances by immigration to the younger communities of the West; and secondly, the public interests of the nation, indeed of mankind, are materially advanced by widening the area of civilization, and reducing a larger proportion of the earth's surface to its beneficent reign.

The development of civilization on this continent is necessarily freed from most of those errors and false principles which crippled its early experimental stage in the Old World. No historic prescription here sanctifies hoary abuses or protects the hereditary monopolies of feudalism. American society is professedly founded upon the idea of individual freedom, which has been realized in a remarkable degree. A clear field is here presented for the development of a social order which does not sacrifice individual welfare.

The systematic reproduction of immense accumulations of manufacturing industry in localities distant from the sphere of production of raw material would be an error on this continent, which happily the extent of our unoccupied territory so far renders impossible. With nearly one thousand five hundred million acres of unsettled public land, we are in no immediate danger of a permanent localization of population. Poverty and misfortune, if associated with energy and intelli-



gence, may still find an inexpressible relief in immigration to the rich domains of the Union.

The policy of our government in favoring the appropriation of the public lands by actual settlers in small tracts tends to the diffusion of proprietary right in the soil, and by consequence increases the stability of the social system in the rising communities of the West. The noblest result of that policy, however, is found in its extension of the principle of social equality.

From such a social organism we may hope that on the removal of the present safeguard of unoccupied public land, the evil reactionary principles that have marred European civilization will be finally eliminated.

The rapid extension of our western settlements is largely due also to the influx of foreign immigration. The annual accessions from this source show a decided increase to our population. Though partially arrested by the late civil war, the return of peace has expanded this popular movement to larger proportions than ever. From correspondence on file in this office it appears that a more than usual proportion of the intelligent and moneyed classes of Europe have become interested in our extraordinary resources. This improved character of foreign immigration, there is reason to believe, is mainly due to the distribution, at the Paris Exposition of 1867, of brief reports on the resources of the United States, and by the circulation, by the State Department, of official information on the subject throughout Europe. America is no longer looked upon in those countries as merely a refuge for oppressed labor. It is now regarded as a field of commercial and industrial enterprise, promising nobler results than any combination of capital and labor has ever realized. We now see an increasing annual import of capital and skilled labor, enabling us to give a more varied and remunerative character to our industry by engaging in the higher and more elaborate processes of art. This enlargement of the scope of our home activity will ultimately result in benefits which, as yet, we are entirely unable to appreciate.

The policy of admitting foreigners to the rights and privileges of American citizens is no longer problematical. It has been tested by an experience of more than three quarters of a century. We are now prepared for at least an approximation to the results of that policy by a series of census enumerations from 1790 to 1860, bringing the elements of the problem within easy range. As a result of the inquiry, we cannot fail to be impressed with the admirable statesmanship of the founders of this republic in permanently engrafting this beneficent feature upon our national system.

To comprehend the influence of foreign immigration in the wonderful growth of our natural resources, let us suppose that, at the close of the Revolution, the American statesmen and people, under the narrow, vindictive prejudices which characterize Asiatic policy, had excluded all foreigners from our shores; our increase of population would then be but the excess of births over deaths. An able statistician in the public press has observed that, instead of the aggregate of 31,443,321, the census of 1860 would have shown not more than 22,000,000, or about the aggregate of our population in 1848. Nearly 10,000,000 of our population, then, is due to the influx of foreigners.

The statistics of the Treasury Department show that the movement of our foreign commerce presents most remarkable advances coincident with the augmentation of foreign immigration. Our annual aggregates of tonnage and resources indicate similar expansions. The follow-

table, compiled by the statistician referred to, is presented, in verification of these statements:

Year.	Value of im- ports.	Value of ex- ports.	Tonnage.	Revenue.
1800.....	\$91,232,768	\$70,971,780	973,492	\$10,694,997
1810.....	85,400,000	66,757,974	1,424,783	9,399,737
1820.....	74,450,000	69,691,699	1,983,166	16,779,331
1830.....	70,876,920	73,819,508	1,191,776	24,268,686
1840.....	131,571,930	104,803,671	2,180,764	16,983,656
1850.....	178,136,318	151,898,730	3,535,454	43,375,796
1855.....	261,468,520	275,156,846	5,212,001	63,363,969

From these statistics it will be seen that a sudden expansion of exports, imports, tonnage, and revenue, dates from the year 1830, when the grand impulse to foreign immigration was given. The total number of immigrants from 1820 to 1830 was 143,458; from 1830 to 1840, 552,000; from 1840 to 1850, 1,558,300; from 1850 to 1860, 2,807,624.

In addition to the enormous increase of societary movement demonstrated in the above table, the direct contribution to our national wealth in the form of active capital brought by the immigrants to this country, in smaller or larger sums, merits special attention. Careful statistics show that alien immigrants bring with them small hoards, averaging about sixty-eight dollars per head. At this rate the amount of money thus imported from 1790 to 1860 cannot be less than four hundred million dollars, gold value. It has been estimated that the production of raw and manufactured material in the United States during the year 1860 was two thousand million dollars—an aggregate evidently not over one-third the reality. This would give an average of twenty cents per day, or sixty-two dollars and forty cents per annum, for each individual. Allowing this average to the increase of population due to foreign immigration, and we have an aggregate approaching six hundred million dollars—nearly one-third of the production of that year—due to our liberal policy. Immediately after the close of the war of independence, the illustrious statesmen of that age, foreseeing the inestimable value, present and prospective, to this republic of the national territory, and the importance of early opening the way for its settlement, and for a gradual and progressive transfer to individual ownership under well-defined principles, took measures to these ends, as shown by the journals of the Continental Congress, by reporting, on the 7th of May, 1784, “An ordinance for ascertaining the mode of locating and disposing of lands in the western territory.”

That ordinance was considered, discussed, and amended, until the expiration of a year from its introduction, when it was finally passed, May 7, 1785. It had no precedent in the theory or practice of any pre-existing government. It was the result not only of the highest order of statesmanship but exhibited a profound knowledge of engineering science in minute details. The ordinance made provision for surveying and disposing of the public domain, as well as for donations in the cause of education and for military services. As the extension of the public surveys is an essential prerequisite to the consummation of titles, under numerous acts of legislation, the following is submitted as an

#### OUTLINE OF THE RECTANGULAR SYSTEM OF SURVEY;

which system has progressed gradually to its present extent, stretching from the Atlantic to the Pacific Ocean, and from the 49° north latitude to the Rio Grande del Norte, excepting six New England States, New

York, Pennsylvania, New Jersey, Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, Tennessee, Kentucky, and Texas, the United States not being the owner of public lands in any of these political divisions. During a period of eighty-four years this system has answered the wants of the people, securing ready and unerring landmarks, the permanency of which, as well as the feasibility of their restoration where destroyed by time or accident, has obviated litigation respecting titles to tracts thus defined.

The system consists of initial points, or the points of intersection of principal base lines, surveyed, measured, and marked on a true parallel of latitude, with principal surveying meridians. In establishing the principal lines from the points of intersection to the four cardinal points of the compass, surveyors mark the corners for quarter sections, sections, and townships, at forty, eighty, and four hundred and eighty chains. From the base lines, which are run on the parallel of latitude, townships count north and south, and from the principal surveying meridian ranges proceed east and west. At the distance of twenty-four miles, or every fourth township lying north of the principal base, and at every thirty miles, or five townships south of the base, standard or correction parallels are established, which in turn become bases for surveys situated immediately north or south of them.

Next, guide or auxiliary meridians are surveyed at every eight ranges, or forty-eight miles east and west of the principal surveying meridian, which, starting in the first instance from the principal base and the first standard parallel south, run due north to the intersection of the first correction parallel north and the principal base, thus forming parallelograms of twenty-four by forty-eight miles north of the principal base, and thirty by forty-eight miles south thereof, embraced by the principal meridian, principal base, first correction parallels north and south of the principal base, and first guide meridian east and west of the principal meridian. These principal lines constitute a framework of the rectangular system.

Each of the aforesaid parallelograms, as well as others situated further north and south, east and west of the principal base and principal meridian, are established on the face of the earth at like distances from those lines or from auxiliary bases and guide meridians. This process divides the land States and Territories into regular and well-defined bodies of land, any one of which, no matter how remote it may be from the principal base and meridian, can be divided into townships of six miles square each, containing, as near as may be, 23,040 acres. The townships are square, each subdivided into thirty-six sections of a mile square, and containing, as near as possible, 640 acres.

Although the laws governing the public surveys do not require the actual subdivision of sections by running and marking lines within them, yet they point out the method by which purchasers may have, at their own expense, subdivided and marked in the field each section into quarter sections, or one hundred and sixty acres, and these into quarter-quarter sections, or forty acres, that service being generally performed by county surveyors in accordance with the original field notes of surveys executed by United States surveyors. This rectangular method, according to the true meridian, and noting the variation of the magnetic needle, has the advantage of all others in that it is simple, economical, easy of reference in the identification of localities of the most minute subdivisions, by merely designating principal meridian and base line, township, range, and section. In addition to these facilities, it affords a convenient method of ascertaining distances between various

points, towns, and cities, without resorting to the scale of maps, in simply counting squares of townships delineated on the government maps, and allowing to each six lineal miles.

But its chief advantage consists in the facility it furnishes to purchasers to acquire titles either to minute or extensive tracts. It supercedes intricate descriptions in patents, which are necessary, according to geometrical systems, depending on numerous courses and distances for the ascertainment of boundaries resting on corners and sundry variations of the magnetic needle.

The establishment of the rectangular method of survey, and rapid sale of public land in different land States and Territories, necessitated the institution of twenty-three principal meridians, which govern the surveys of the public domain.

Ohio public surveys are controlled by several initial points, and by the first principal meridian coincident with the common boundary between that State and Indiana.

Indiana surveys are referable to the second principal meridian.

Illinois surveys are governed by the second, third, and fourth principal meridians.

Wisconsin surveys are controlled by the fourth principal meridian.

Minnesota public lands are referable to the fourth and fifth principal meridians.

Dakota surveys are regulated by the fifth and sixth principal meridians.

Iowa, Missouri, and Arkansas, by the fifth principal meridian.

Kansas, Nebraska, and the greater part of Colorado, by the sixth principal meridian.

Michigan surveys by the Michigan meridian.

Florida surveys by the Tallahassee meridian.

Alabama surveys by the Huntsville and St. Stephen's meridians.

Mississippi surveys are controlled by the St. Stephen's, the Choctaw, and the Washington meridians.

Louisiana surveys are regulated, east of the Mississippi River, by the St. Helena meridian, and on the west by the Louisiana meridian.

New Mexico surveys are governed by the New Mexico meridian.

Arizona surveys depend on the Gila and Salt River meridian.

Utah surveys on the Great Salt Lake meridian.

Nevada surveys are governed by the Mount Diablo meridian.

Idaho surveys by the Boise meridian.

Montana surveys by the Montana meridian.

California surveys depend on the Mount Diablo, the San Bernardino, and the Humboldt meridians.

Oregon and Washington surveys are governed by the Willamette meridian.

As the law requires the lines of the public surveys to be regulated by the true meridian, and that the townships shall be six miles square, recourse has been had to standard parallels and guide meridians to arrest within parallelograms the convergency and divergency of the meridians, resulting in a substantial adherence to the statutory enactments. In order to illustrate the framework of the system, the accompanying diagram "A" will show the initial point of survey, or the intersection of the principal base with the principal meridian, standard parallels or correction lines north and south of the principal base and guide meridians east and west of the principal meridian, together with parallelograms formed by those principal lines surveyed into townships.

## THE METHOD OF SURVEYING THE EXTERIORS OR TOWNSHIP LINES.

The principal meridian, base line, standard parallels, and guide meridians, having been first run, measured, and marked, and the corner boundaries thereon established at distances of forty chains from the initial point for quarter section, eighty chains for section, and four hundred and eighty chains for township corners, the process of running the parallelograms into townships and ranges is as follows:

Townships lying *north* of the base line and *west* of the principal meridian. The government surveyor begins his survey at the southwest corner of township 1 north, range 1 west, already established by former surveyor on the base line. (See figure 1 on diagram A.) Thence he proceeds due north four hundred and eighty chains, establishing quarter section and section corners to No. 2, where he sets corner to townships 1 and 2 north, ranges 1 and 2 west.

The boundary corners may be either trees, if found at the precise spots, posts or stones of prescribed dimensions, according to the peculiarities of the country; and their positions are indicated by adjacent trees or other permanent objects within convenient distances, the angular bearings and distances of which from the corners are ascertained and described in the field notes of surveys. The corners thus established are marked on sides fronting township, range, and section, which they face. In the absence of bearing trees witnessing the positions of corner boundaries, mounds of earth or stone are raised around posts. In mounds of earth common to four townships or sections, the posts are set diagonally, and in those common only to two townships or sections, they are planted with their faces to the cardinal points, and are further witnessed by pits dug out and facing the posts in mounds of townships and sections they perpetuate.

The west boundary of township 1 north, range 1 west, or the line between ranges 1 and 2 west of a given principal meridian, being thus surveyed and marked in the field, the next step is to establish the north boundary of the township, which is done by running east on a random line from the corner at figure No. 2, which is common corner to townships 1 and 2 north, ranges 1 and 2 west, by setting at first *temporary* quarter-section and section corners to No. 3, or the northeast corner of the township; thence the northern boundary of the township is measured back on a *true line*, planting permanent quarter-section and section corners at every forty and eighty chains, respectively, to figure No. 4, which is identical with No. 2. In case, however, the northern boundary of the township is found to over-run in length, or fall short of four hundred and eighty chains, or the full measure of six miles, owing either to the convergency of the meridians in running the western boundary of the township, or to other causes, in that contingency the excess or deficiency in measurement is thrown on the west side of the township, to be ultimately merged in the western tier of sections when the township shall have been subdivided into thirty-six sections.

When the survey of the exteriors of township 1 north, range 1 west, is thus completed, the next step is to proceed in a similar manner from No. 4 to 5, No. 5 to 6, No. 6 to 7, which will complete the survey of the exteriors of township 2 north, range 1 west; and so on to No. 10, the southwest corner of township 4 north, range 1 west. Thence north on a true meridian line to No. 11, or the point of intersection of range line with the first standard parallel north of the base line, thus completing the survey of exterior lines of townships 1 to 4 north, of range 1 west. From No. 11 the surveyor returns to the base line, and from t

corner of township 1 north, ranges 2 and 3 west, or No. 12, and proceeds due north in surveying townships 1 to 4 of range 2 west, in similar manner as he did in range 1 west; and so on until he runs the whole parallelogram into townships.

#### TOWNSHIPS LYING NORTH OF THE BASE LINE AND EAST OF THE PRINCIPAL MERIDIAN.

The method of surveying parallelograms lying north of the base line and east of the meridian is to begin at No. 1, or the corner to township 1 north, ranges 1 and 2 east, and proceed due north as with townships lying north and west, except that in this case random lines of northern boundaries of townships are measured *west* and the *true* lines *east*, throwing the excess or deficiency of four hundred and eighty chains as usual on the west ends of the lines. In order to do this, the surveyor on his *true* lines eastward commences his measurement from the western boundaries of townships with the lengths of the excessive or deficient half sections on the west of the townships, making the remaining measurements even half miles and miles, or forty and eighty chains.

#### TOWNSHIPS SITUATED SOUTH OF THE BASE AND WEST OF THE MERIDIAN.

In carrying out the rectangular system it was found necessary, owing to the less rapid convergence of the meridians south of the base line, to establish standard parallels at every thirty miles, or the distance of five full townships, and closing the parallelograms with guide meridians at every eight ranges, or forty-eight miles. When these principal lines are measured and marked in the field, the exterior lines of townships within said parallelograms are surveyed by starting at the corner to townships 5 south, ranges 1 and 2 west, and running due north four hundred and eighty chains, and marking corners north of first standard parallel south and west of the meridian in the manner hereinbefore described, where the corner to townships 4 and 5 south, ranges 1 and 2 west, is established; thence east on a *random* line, and west on a *true* line, of the north boundary of township 5 south, range 1 west; thence on a due north line on the west boundary of township 4 south, range 1 west; thence east on a random and back on the *true* line of the township, and so on until a meridional line, or the west boundary of township 1 south, range 1 west, intersects the principal base line, thus completing the first range of townships lying south of the base line and north of the first standard parallel south.

The next step is to return to the parallel, and from the corner to townships 5 south, ranges 2 and 3 west, to run due north, measure and mark the west boundary of township 5 south, range 2 west, and proceed in the same way as in surveying range 1 west, and so on until the whole parallelogram is run into townships.

Townships situated south of the base line and east of the meridian are surveyed in like manner as those north and east, excepting that the lines start from the corners on the first standard parallel south, and close on the base line within several parallelograms.

#### METHOD OF SUBDIVIDING TOWNSHIPS INTO THIRTY-SIX SECTIONS.

Preliminary to the subdividing of a township containing 23,040 acres, more or less, into thirty-six sections, embracing 640 acres each, more or less, the surveyor traces and measures the east and south boundaries of

section 36, or the extreme southeast angle of the township, so as to detect any change that may have taken place in the magnetic variation as it existed at the time of running the township lines, as well as to compare his chaining with that recorded in the field notes of the township he is subdividing.

In order, therefore, to determine the proper adjustment of his compass for subdividing the township, the surveyor begins at the southeast corner of the township, runs north on a blank line along the east boundary of section 36, at a variation, say, of  $17^{\circ} 51'$  east, 40.05 chains to a point five links west of the quarter-section corner previously established by former surveyor; he continues on, and at 80.09 he comes to a point twelve links west of the corner to sections 25 and 36. From this trial line he finds that, to retrace this line as surveyed by the previous surveyor, he must adjust his compass to a variation of  $17^{\circ} 46'$  east, decreasing the variation east by five minutes, being the result of the difference of latitude and departure in the distance of eighty chains.

With the variation, therefore, of  $17^{\circ} 46'$ , the surveyor commences the subdivision of township 1 north, range 1 west of the principal meridian. Starting from the corner to sections 35 and 36 on the south boundary, he runs a line due north forty chains, marks the quarter-section corner to sections 35 and 36, and continues the line between sections 35 and 36 forty chains more, and at eighty chains from the starting point establishes corner to sections 25, 26, 35, and 36. Thence he runs a random line due east for corner to sections 25 and 36 on east boundary. If he intersects it at the corner, he marks the line back as the true line, establishing quarter-section corner thereon at a point equidistant; but if the random line intersects the eastern boundary of section 36, either north or south of the corner run for, he measures the distance to the corner from the point of the intersection, and calculates a course that will run a true line back between the section corners on the north boundary of section 36, with an increased or decreased variation, as the case may be.

Having thus surveyed and marked section lines of section 36, the surveyor proceeds due north from the corner to sections 25, 26, 35, and 36, and at forty chains establishes quarter-section; at eighty chains, section corner to sections 23, 24, 25, and 26; thence on random line he runs due east for the corner of sections 24 and 25 in east boundary, and returns on the true line in the manner he did when surveying the line between sections 25 and 36.

In this manner the survey of each successive section in the first tier is executed, until the surveyor arrives at the north boundary of the township, on a *random* line between sections 1 and 2, and in case it does not intersect the township line at the corner to sections 1 and 2 of the township he is subdividing, and sections 35 and 36 of the township lying north thereof, the surveyor notes the distance of the intersection east or west of the corner, from which he calculates a course that will run a *true* line south to the corner from which the random line started. Thence the surveyor returns five miles to the south boundary of the township he subdivides, and from the corner to sections 34 and 35 begins the survey of the second tier of sections in the like manner he pursued while surveying the first tier, closing his east and west section lines on the section corners of the first tier he has just established.

In the same manner the surveyor perambulates the township until he reaches the fifth tier of sections, and from each section corner established on this tier he completes the subdivision of the township by running *random* lines due west to the corners erected upon the range line, or the western boundary of the township, setting temporary quarter-

section corners at *precisely* forty chains, and throwing the excess or deficiency of eighty chains of measurement on the extreme tier of quarter sections contiguous to the township boundary, and on returning to the interior section corners on a due east course, or otherwise, as the case may be, consequent upon the intersection of the random line with the west boundary of the township, the true lines are established with permanent quarter-section corners at forty chains from the last interior section corners set in surveying the fifth tier of sections.

The foregoing method of subdividing a township into thirty-six sections illustrates the mode and order of survey under every variety of circumstances, as shown by the topography on diagram B, herewith, the numbering of which begins at the northeast angle of the township, and proceeding west to number 6 continues east to number 12, thence west to number 18, and so on alternately to number 36 in the southeast angle of the township.

In subdividing each section, or six hundred and forty acres, into quarter sections, or one hundred and sixty acres each, as shown on the diagram B in dotted lines, the actual survey and marking of the lines are not executed by government surveyors in the field, but their boundaries are ascertained and marked, after the lands are sold, by county surveyors, at the expense of the owners of the lands. The manner of the subdivision consists of measuring straight lines from quarter-section corners of a particular section to the opposite corresponding corners, and the point of the intersection is the interior corner common to four quarter sections.

The quarter sections are, by law, subdivisible into quarter-quarter sections, or forty acres each, not actually surveyed by the government surveyor, but susceptible of survey, and of being marked in the field by county surveyors, at the cost of purchasers from the government, by straight lines running from points equidistant between quarter-section and section corners to the opposite corresponding points on section lines, from south to north and east to west.

Where uniformity in the variation of the magnetic needle is not found in the field, the public surveys are made with instruments operating independently of such variation; the solar compass, transit, or other instrument of equal utility is employed; but where the needle can be relied on in subdividing townships into sections, the ordinary compass of good construction is used for the purpose.

In measuring lines, a four-pole chain is used, consisting of one hundred links, being in length seven inches and ninety-two hundredths of an inch. To maintain the accuracy of the chain, surveyors compare its length from day to day with a standard chain kept for that purpose.

The length of lines is ascertained by horizontal measurements on an air-line, as near as possible, guided by compass-man in the direction of a flag put up in advance on the line to be measured. Impassable obstacles, such as rivers, marshes, abrupt and precipitous mountains and lakes, are obviated by resorting to right-angle offsets; or, if such be inconvenient, to a traverse or trigonometrical operation. The points of intersection of such natural impediments to chaining the lines are marked with posts, and the course and distance therefrom are given in the field notes to two trees on the opposite sides of the line. These are called witness trees, and are marked on the sides facing the posts commemorating the intersection points of the interrupted lines. The navigable lakes and watercourses declared by law public highways are meandered, so as to exclude their surfaces from the sale of public lands.

The meandered lines are perpetuated by meander posts at points of



the intersection of the township and section lines with such water-courses; the posts and witness-trees descriptive of township, range, and fractional section are properly marked.

Banks of navigable water-courses and lakes are meandered by taking the courses and distances of their sinuosities, which constitute proper data for computing the areas of fractional subdivisions of sections bordering such navigable water-courses; and as these irregular tracts cannot be described by legal relative positions in a section, they are designated on township plats by a series of numbers, and are described as lot No. 1, 2, 3, and so on, of a particular section in a given township and range.

The monuments employed for commemorating corner boundaries on standard, township, and section lines are illustrated on the accompanying diagram "C." They are adapted to the survey of every variety of country, be it timbered, prairie where timber is not near, or mountainous and devoid of timber. The public surveys are conducted under the direction of the principal clerk of surveys, controlled by the Commissioner of the General Land Office, and under the immediate superintendence of fifteen surveyors general in their respective surveying districts into which the public lands are divided.

The surveyors general, whose offices are conveniently located in their districts and well appointed with personal and other facilities for the business, enter into contracts with professional surveyors, whom they commission as their deputies, and who are thoroughly acquainted with the system and the official requirements in regard to field operations. Surveying contracts—blank forms herewith—describe the particular field-work to be executed, time within which it is to be completed, consideration stipulated at so much per lineal mile of surveying, including all expenses of the surveyor, his party and instruments, together with the proper returns of survey to the office of the surveyor general, to be accompanied by an affidavit of the surveyor to the effect that the work was performed by him, in his own proper person, in accordance with his contract and the manual of surveying instructions, and in strict conformity to the laws governing the survey.

The party of the deputy surveyor generally consists of two chainmen, flagman, axeman, and two moundmen, whose duties are to assist him in running, measuring, and marking the lines, and constructing and setting corner boundaries. They are sworn to perform their respective duties with fidelity before they enter on the same, and on completing the work they make affidavits to the effect that the deputy surveyor was assisted by them in the survey which they describe, and that it has been executed in all respects well and faithfully.

To guard the government from any loss that might be occasioned by erroneous or fraudulent surveys on the part of the surveyor, he is required to give bond, with approved securities, in double the amount of his contract; and when his unfaithfulness is detected the delinquent deputy and his bondsmen are punishable by law, and the surveyor debarred from future employment in like capacity.

Upon the return of surveys to the surveyor general, consisting of original field-notes and a topographical sketch of the country surveyed, the work is examined, and if, on applying the usual tests, it is found to be correctly executed, the surveyor general approves the field-notes; whereupon the draughtsman protracts the same on township plats in triplicate, and, after approving the plats, the surveyor general files the original in his office, to be ultimately delivered to State authorities; the duplicate is sent to the local land office to enable the register ar

receiver of public lands to dispose of the lands embraced in the several townships, and the triplicate he transmits to the Commissioner of the General Land Office for the information of the government.

#### LAWS OF PROPERTY—PRE-EMPTION AND HOMESTEAD TITLES.

The ownership of the soil in severalty is essential to civilization. A low stage of society, it is true, a mere nomadic tribal organization, may subsist upon the basis of a community of landed property, or of a usufructuary occupancy of land, but such a constituent principle imposes inflexible limitations upon all human progress, social or individual. Society, thus hopelessly trammelled by the bands of its infancy, never rises above the low aims of animal existence. Its simplicity is not that of innocence, for barbarism has its revolting developments of moral depravity, but of ignorance and lethargy. Habits of settled industry and permanent residence are necessary to civilization; men must assume more intimate and varied relations to each other; society, in order to realize its beneficent aims, must develop a more elaborate and effective organism and call forth its latent forces. A permanent occupancy of the soil in severalty by intelligent labor, protected by efficient police arrangements, is essential to the attainment of these vital aims. No nation has entered upon a career of civilization without abandoning the community of landed estate and admitting the right of private property.

A nice question has been started among publicists as to the origin of the right of property, especially of landed estate. Grotius, Puffendorf, and Rutherford, contend that it arises from the express or implied consent of all concerned to the appropriation of unoccupied goods or land by a private individual. Barbeyrac, Locke, and Burlamaqui combat this hypothesis, and base the right of property upon prior occupancy as the exponent not of any agreement of men, but of a divine law, regulating human association, prior to and underlying the social compact. Men tacitly agree to let the sun shine, yet his continued illumination is by no means the result of that agreement; so their common consent to the appropriation of unoccupied goods is not in any sense the procuring cause or basis of property: it is but the spontaneous recognition of the will of the Creator—an outgrowth of that moral constitution of society which philosophers have denominated "the fitness of things."

Burlamaqui, who seems to have given the question rather a cursory glance, informally sides with Barbeyrac and Locke, by quietly taking positions hostile to Puffendorf's hypothesis. He teaches that the first occupant, in taking possession of what belongs to nobody, gives public notice of his intention of acquiring it; that this taking possession is but the acceptance of the destination which God had originally made of the good things of the earth for the preservation of man. Prior to this taking possession, the claim of all men to the goods or land contemplated was equal. The act of appropriation destroyed this equality of claim, constituting an effort of diligence and foresight which deserved a preference to the thing desired.

Both of the above hypotheses recognize the original donation of the earth and all its fullness to mankind as a whole, and both may be interpreted in strict conformity to this higher principle. Whether based upon the express or implied consent of community, or upon some underlying principle of which that consent is but the intuitive recognition, the ultimate property of the soil, and in fact of all goods, movable or immovable, resides in society. Private ownership is to be regarded as a sort of stewardship. "No man liveth unto himself alone." A solemn

obligation rests upon every one to use the good things of the earth for the general welfare. No legitimate individual interest can be segregated from the public weal. Society may have no judicial processes for the enforcement of this principle. Its whole police organization may be cumbrous and ineffective, while the ultimate end desired may be reached only in man's immortal estate; but the fundamental idea of human brotherhood pervades all true civilization.

The grant of the earth and its fullness to mankind as a whole—to society—makes government, the organ of society, to a certain extent the custodian of all kinds of property. Puffendorf distinguishes three kinds of property: 1st, eminent domain, residing in the commonwealth; 2d, direct property, residing in the landlord; and 3d, useful property, residing in the tenant. In all civilized states government claims the power of taxation or of appropriating such portion of private property as may be necessary to meet the exigencies of society. A refusal or failure to comply with such public demand is followed by confiscation or forfeiture of the right of property through failure of the proprietor to meet his correlative obligation of ministering to the welfare of society. Thus government, by its right of eminent domain, absorbs private ownership and reduces the lands or goods confiscated to that community which subsisted at the inauguration of civilization.

These fundamental principles of public order are brought to view in the organization and administration of the public domain of the United States. Civilized society, organized into an American nationality, takes possession of an immense continental area occupied only in community by hordes of savages claiming a usufructuary title to certain ill-defined areas under tribal organization. Grave considerations might be urged in favor of entirely ignoring these usufructuary claims. The absorption of immense tracts of country as hunting grounds, to supply the wasteful processes of savage life, might be urged with resistless force upon principles of natural justice which condemn all monopolies. In fact, it is but the claim of a savage aristocracy to the same exclusive privilege which the civilized aristocracies of Europe have pressed to such odious extremes in their overgrown parks and forests. But waiving all such adverse considerations, the general government has admitted these usufructuary Indian titles, and extinguished them, by treaty purchase, to successive areas, as the westward expansion of civilization has rendered necessary. We have nothing here to do with the non-realization of the beneficent designs of Congress for the welfare of the aborigines, nor with injuries often resulting, which no administrative sagacity could prevent. We find the United States government standing to the immense bodies of our unoccupied western domain in the relation of the trustee of society, holding not only the right of eminent domain, but also of individual ownership.

But it is contrary to the interests of civilization that this relation should continue longer than is absolutely necessary. Hence it has ever been the anxious desire of the government to transmute its title to the soil into private ownership by the most speedy processes that could be devised. The question of the disposal of the public lands occupied the anxious attention of our revolutionary statesmen, the old Continental Congress spending an entire year in framing the "ordinance" in that respect. This ordinance was the nucleus of a series of enactments by which the legislature has endeavored to adapt the details of the public-land system to the wants of successive periods of our history. These statutes, with the executive and judicial rulings under them, constitute

a formidable body of jurisprudence, requiring years of careful study, and giving scope for a separate branch of the legal profession.

In the early legislation of Congress it was proposed, in the first place, to appropriate a liberal portion of the public lands as bounties to the officers and soldiers of the revolutionary war, attesting the nation's gratitude for their inestimable services. The residue was to be sold for cash, or upon limited credit. The minimum price fixed by the ordinance of the Continental Congress, passed in 1785, was \$1 per acre. By statute of the fourth Congress under the Constitution, this minimum was raised to \$2 per acre, which by act of April 24, 1820, was reduced to the present minimum of \$1 25 per acre.

By act of March 3, 1807, it was made unlawful for any person to take possession of, make settlement upon, or survey any portion of the public lands, until duly authorized by law, offenders being subjected to forcible ejection and loss of all their improvements. Settlers upon public lands prior to the passage of the act were, however, permitted, on application made prior to the 1st January, 1808, to remain as tenants at will upon tracts not exceeding three hundred and twenty acres, on such terms and conditions as should prevent waste or damage to the land and secure its peaceable surrender at the demand of the government, or to any purchaser under the law; all such applicants being required to sign a declaration repudiating all claim to the occupancy of the premises, except the indulgence of the government. Inasmuch as such tenants at will might become purchasers when the lands were offered for sale, this privilege may be regarded as the germ of the pre-emption privilege subsequently granted.

This policy of ejection of trespassers was found to be impracticable. The great western movement of our people had already commenced, and the facilities for evading the execution of the law presented resistless temptations to unlawful settlement. The number of trespassers soon became formidable, requiring a powerful and expensive effort for their ejection. Instead of rigorously enforcing the restrictions of the act of 1807, Congress avoided the difficulty. By acts of May 29, 1830, January 23, 1832, July 14, 1832, June 19, 1834, July 2, 1836, June 22, 1838, and June 1, 1840, provision was made for healing an immense number of breaches of the law by granting pre-emption to settlers regardless of restrictions. The necessities which called forth these retrospective statutes became so numerous and pressing as to raise the question of the soundness of the restrictive policy.

By act of September 4, 1841, this policy was finally repudiated, and settlement prior to purchase was no longer, *per se*, a trespass. By this noble statute, and the subsequent act of March 3, 1843, pre-emption was engrafted upon the public-land system as a permanent feature, yet restricted to surveyed lands. By act of March 3, 1853, this privilege was extended in California to unsurveyed lands. By act of July 17, 1854, the same extension was made in Oregon and Washington; by act of July 22, 1854, in Kansas and Nebraska; and by the statute of August 4, 1854, to Minnesota. The act of June 2, 1862, has been authoritatively construed as extending pre-emption to unsurveyed lands in the public domain.

To carry out the liberal aims of the legislature, the executive has availed itself of its legal discretion in withholding from public sale all surveyed lands for a time sufficient to give the actual settlers the choice of the best localities, thus saving them from the monopoly of speculation. The consideration upon which this inestimable privilege is granted is a *bona fide* settlement upon and occupation of the tract by

such substantial improvement and cultivation as clearly indicate an intention of making it a permanent home. Such settlement of a tract not exceeding one hundred and sixty acres, constituting a legal notice to all concerned, is the basis of an inceptive right which, under the protection of the law, and by fulfilling its requirements, a properly qualified pre-emptor may prosecute to a perfect title.

The results of this beneficent policy are seen in numerous States and Territories occupied by multitudes of small tract owners where otherwise might now be found great land proprietors. To the energetic and industrious man, without means, it has opened avenues unnumbered to independence and wealth. It has developed as the ruling class of the population a self-reliant yeomanry, the true popular element of a democratic republic. It has broadened the base of our political system by diffusing the proprietary interest in the soil; enlarging the number who have permanent stake in the preservation of our institutions. For certain classes of settlers it has advantage even over the homestead provisions, as shown in the fact that a large number of homestead claimants have availed themselves of the privilege allowed by law of commutting their claims into pre-emptions.

Some modification in the practical working of the system is required in order to enable it to meet changed circumstances. Expensive litigation might be avoided by settling more definitely some of its principles and requirements. The permission of pre-emption settlements on unsurveyed lands has occasionally developed conflicts arising from two or more settlers being found after survey upon the same quarter section, or even upon less legal subdivisions. It is suggested that the statute be modified to meet such cases by admitting joint entries, covering the dwellings and valuable improvements of both parties.

It is desired in this connection to invite attention to the recommendation of the last annual report, to fix the limit of time within which pre-emptors on unoffered lands shall make proof and payment, also to prescribe regulations as to appeals, and to require the consummation of a claim, either pre-emption or homestead, pursuant to the provisions of the statutes under which it had its inception. Attention is called to a discrepancy in the requirements of the statutes of May 30, 1862, and June 21, 1862, upon pre-emptors settling on unsurveyed lands. By the former, sec. 7, it is required that all applicants under the pre-emption laws shall file their declaratory statements within three months from the date of the receipt at the district land office of the approved plat of survey, whereas the latter statute allows six months after the receipt of plats of survey within which such declaratory statements may be filed. It is recommended that this matter be no longer left to doubtful construction, but that it be authoritatively settled by statute.

*Homesteads.*—The disposal of our public lands has been accelerated by the inauguration of the homestead policy. By act of May 20, 1862, a person entitled to pre-emption may settle upon a tract not otherwise appropriated, and not exceeding one hundred and sixty acres of minimum or eighty acres of double minimum, and by continued occupying and cultivation for five years, may perfect his title by making proper proof of having complied with the conditions prescribed in the law, and by paying a small amount of fees to defray the expense of local administration. By act of June 21, 1860, the public lands in Alabama, Mississippi, Louisiana, Arkansas, and Florida, are subject to disposal only under the provisions of the homestead law.

During the fiscal year ending June 30, 1869, rapid progress was made in the disposal of the public domain under the homestead provisions. Its

privileges have been eagerly accepted by all classes of settlers, both native and foreign born. The proofs of settlement and cultivation now being submitted by claimants who have resided the requisite term of five years on their respective tracts, as well as by those who propose to prove up at an earlier period under the eighth section of the homestead law, indicate the accession of a thrifty and energetic class of settlers, giving promise of an enterprising and intelligent population.

Since last report 2,737,365.05 acres have been disposed of under the homestead statutes, being an increase of 408,442.80 acres over the aggregate reported last year. Of this quantity 622,507.42 acres are within the States of Alabama, Mississippi, Louisiana, Arkansas, and Florida, leaving 2,114,857.63 acres as entered within the other public land States and Territories. This area, more than one-tenth of the State of Ohio, is included in 22,811 farms, of which 5,187 are within the southern States above mentioned. The number of claims upon which final proof was offered during the fiscal year just closed is 4,026. The total fees and commissions received amount to \$315,419 49, while the total expenses of the General Land Office and of seventy-three district land offices did not exceed \$453,816 43. Thus the fees received from homestead settlements alone pay nearly three-fourths of the expenses of the public-land system, not including cost of surveys. The machinery of the homestead system has become so nearly complete that few questions have arisen since last report involving construction of the statutes; two important rulings, however, have been rendered which will be of public interest.

In final proof cases, where settlers cannot show continuous residence of five years, all other points being satisfactorily established, the proof will be accepted as sufficient under the eighth section of the homestead law, and the party will be permitted to make payment for the land in accordance with the provisions of the statute.

Inquiry has been made whether a homestead settler may not make final affidavit and proof before some officer authorized to administer oaths, and transmit the same to the district officers with the final fee payment, where good reasons can be given for this departure from the regular course. To this it has been replied, that the statute expressly requires that the homestead party shall make affidavit at the district land office, and that this department has no authority to relax the rule; the testimony of the claimant's witnesses, however, may be taken by deposition before any duly authorized officer and presented at the district land office; if satisfactory, it will be accepted. It is estimated that the total number of acres disposed of during the year for actual settlement is not less than 3,037,365 acres, included in about 25,311 farms. If to the above we add the number of farms purchased at private entry for cash, or located with military land-warrants or agricultural college scrip, and also the tracts sold by railway companies from their landed endowments, we have very little difficulty in arriving at the conclusion that by the direct or indirect operations of our public-land system during the past year, no less than 60,000 small farms have been added to the agricultural freeholds of the United States. This is about double the total number of land-owners in England, as returned by the British census of 1861. But the principle of pre-emption, in a modified form, has been applied to town sites. The law gives great facilities for building towns and cities on the public domain, which have been extensively used in the different States and Territories. If, then, we group together the agricultural and urban settlements on the public domain, and the increase of freeholds in the southern States, growing out of the

subdivision of estates consequent upon the revolution of the system of labor, we figure up an addition to the landed proprietors of the nation during the last fiscal year of 80,000. Considering the enormous increase of settlements on the public lands during the present decade, it is but fair to estimate the present number of agricultural freeholds at about double the number returned in the last census reports, or four millions. If to these we add the urban proprietors, we have almost five and a half millions, or about one in every eight of the population. History may be challenged for a parallel to these facts. Never had a free people so completely in their own hands the elements of their political and social destiny. Upon this great mass of small proprietary interests we may rest our hope of escaping those giant evils of centralization of property and social influence by which even the massive civilization of the great empire of antiquity was undermined and rendered unable to withstand the deluge of northern barbarism. In order to preserve our free institutions we must watch with jealous vigilance and promptly counteract any tendency to centralization.

#### PRE-EMPTION AND HOMESTEAD RULINGS.

In the administration of the settlement statutes, cases have arisen of the following character:

A party who had made an entry under the homestead law commuted his title under the eighth section of the homestead act of May 20, 1862. Upon the same day that he perfected his homestead title he filed a declaratory statement for other tracts as a pre-emption.

It was held, that to initiate a pre-emption claim, actual personal settlement must be made on the tracts claimed prior to the filing of a declaratory statement, and consequently that the homestead settler could not have made a legal *pre-emption* settlement on any public land *prior* to his consummation of his homestead.

The tenth section, act of September 4, 1841, granting the right of pre-emption, provides that "no person who shall quit or abandon his residence on his own land to reside on the public land in the same State or Territory shall acquire any right of pre-emption under this act."

In view of this inhibition, and the fact that no settlement preceded the filing of the pre-emption declaration, such declaration is held to be invalid, and that the party connected with the proceedings acquired no pre-emption right under such circumstances.

In another case, a settler entered certain tracts as a homestead, and within a year and a half filed his pre-emption declaration for other tracts, not having either abandoned or consummated his homestead.

In this case, it was ruled that claims could not be initiated and carried forward by the same parties, *pari passu*, under the pre-emption and homestead statutes, for the reason that continuous personal residence on the tracts claimed, from the inception to the consummation of the claim, was an essential condition under each of said statutes, and that as the homestead party could not have an actual personal residence on two different tracts at the same time, the pre-emption filing made after the initiation of his homestead was unlawful.

Where lands have once been offered at public sale, and are afterwards withdrawn from market for railroad purposes, pre-emption settlements made thereon in good faith, *prior to date of withdrawal*, are subject to consummation within the period fixed by law for proving up and entering offered lands, to wit: in twelve months from the date of settlement at the ordinary minimum of \$1 25 per acre.

Where *offered* lands are embraced in a declaratory statement and the filing is formally abandoned or forfeited for want of compliance with the legal requirements, the tracts embraced in such statement are subject to private entry without being again advertised and re-offered.

Where lands of this class are embraced in homestead or other entries, subsequently canceled, they *are not* subject to ordinary private entry until properly restored by advertisement and re-offering.

It is ruled that the register and receiver have no authority to allow homesteads on tracts covered by pre-emption filings, upon *ex parte* affidavit that there are no pre-emption improvements thereon.

In the case of filings on *offered* lands, where proof and payment are not made within the twelve months allowed by law, the filings are forfeited and the tracts are subject to homestead.

In other cases, where allegations are made of non-compliance with the requirements of the statutes by parties claiming under pre-emption, the register and receiver, on application for cancellation, require such allegations to be made under oath; and if satisfactory cause is shown, the land officers are required to appoint a day of hearing, giving the parties in interest at least thirty days' notice; and thereafter they are required to make a report for final decision of the department.

It has been represented by the district officers that there are many cases where single men have taken land under the pre-emption and homestead statutes, who go on their claims and plow a few acres, or have such work done, build a shanty, and live there a few days or weeks, and then, after absence of four or five months, return for a short period, taking care not to be absent for the full period of six months. And further, that cases have occurred where pre-emptors work at a trade, or practice a profession some miles from their claims, hire persons to make improvements for them, and occasionally go to the premises, the claimants making slight improvements at or prior to the time of filing their declaratory statements.

The object of the pre-emption and homestead statutes is to secure the development of the public lands by actual and permanent settlement thereon, and cultivation, as a means of increasing the national wealth and resources. Our general practice requires claimants under these statutes to show actual and continuous personal residence upon the land from the inception of claim to its consummation, with such extent of improvements and of actual cultivation as will clearly identify the claimant with the premises as a permanent and *bona fide* settler. Further, that no entries should be permitted under the pre-emption statutes unless the fact is shown that at least six months of actual and continuous residence is made by the pre-emptor prior to date of entry, except in cases where the extent of cultivation and value of improvements clearly identify the claimant as a permanent settler.

The same rule is applicable, in cases of commutations of homestead, under the homestead act of May 20, 1862.

It has been enjoined upon the registers and receivers, in all cases of the character referred to, where absence is shown, or where they have grounds for belief that the claimant is not a *bona fide* settler, to require satisfactory testimony by two witnesses in each case, before they are authorized to permit an entry.

Where the testimony is not satisfactory to the district land officers and the claimant insists upon the right of pre-emption entry without further proof, the register and receiver are required to render their decision and notify the party thereof, in order that an appeal may be submitted to the department for final decision.



Cases have arisen where settlers have found it necessary, temporarily, to leave their tracts in view of Indian incursions. In such cases the department will treat the temporary absence as caused by duress, and as of no prejudice to the settler where all other requirements of the statute have been complied with, and where the parties return to their claims as early as may be consistent with personal safety to themselves and their families.

#### LAND GRANTS IN AID OF POPULAR EDUCATION.

Free institutions are incompatible with popular ignorance. Republicanism, the *beau ideal* of civil government, to which man has arrived only after a long and painful experience of error and suffering, can subsist only with popular elements developed by intellectual culture, enlightened by the lessons of history, and subjected to effective moral discipline. The incapacity of many nations of the Old World to maintain popular institutions may serve as a partial excuse for the continuance of monarchical or aristocratic authority; but for the loss of self-government by a people once in its enjoyment there can be no excuse whatever. Every free society is placed under imperative obligations to perpetuate its beneficent constitution by a careful training of each successive generation of its people.

Never in history was this social obligation so fully and unreservedly recognized as by the founders of this republic. Prior to the Revolution in the different colonies, the subject of popular education had attracted attention, and provision had been made for its practical realization to a surprising extent when we take into consideration the circumstances of the world in that age. The theory of *general* education found no basis in the aristocratic social constitution of the mother country, while in the colonies themselves were to be found influences decidedly hostile to it, both in theory and practice. The injustice and persecution, however, which had caused the immigration to this country, especially to the northern colonies, had wonderfully neutralized the religious and political prejudices of our forefathers, and prepared them to accept doctrines of very opposite tendency. The comparative feebleness of aristocratic *prestige* in the forests of the New World, permitted to the sentiment of independent manhood a development which it never would have realized amid the overshadowing prescription of feudal Europe. Whatever reactionary public opinion may have resisted, the idea of democracy was uprooted and reversed by the Revolution, that wonderful social influence by which so many effete principles and institutions were swept away. The establishment of democracy was followed by the natural development of its principles, especially in the direction of popular education.

In regard to the endowment of educational institutions by the government, very little difficulty seems to have been experienced by our fathers. They assumed, without question, that a government, as the organ of society, enjoys the right and is vested with the power to meet this social necessity. No member of the Continental Congress seems to have raised the question in the discussions upon the provision in the noble ordinance of March 20, 1785, the nucleus of the present public-land system, by which section 16 of every township was set apart for the endowment of public schools. This policy at once met with enthusiastic approval from the public, and was tacitly incorporated into the American system as one of its fundamental organic ideas. It has become part and parcel of every democratic movement in the Old World, and is repudiated only

by parties and interests allied with reactionary despotism both political and ecclesiastical.

This reservation of a section, or one mile square, of six hundred and forty acres, in each township, for the support of public schools, was specially provided for in the organization of each new State and Territory up to the time of the admission of Oregon, in which instance the policy was inaugurated of duplicating the quantity, section 36, as well as section 16, being granted "in place," or, where covered by prior adverse rights, indemnified elsewhere by selection from unsold public land made by authority of the State interested. This increased donation was repeated in the admission of each subsequent State except West Virginia, which had no public lands within her limits.

For the endowment of educational institutions of a higher grade, at least two townships, embracing seventy-two sections, have been granted to each new State. Special grants have also been made to private enterprises. The fruits of this enlightened liberality are seen in the elevated tone of even our pioneer civilization.

By act of July 2, 1862, our educational endowment system was enlarged by the donation to each State of thirty thousand acres of public land for each senator and representative to which it was entitled under the apportionment of 1860, for the support of colleges, for the cultivation of agricultural and mechanical science and art. From the able report of the superintendent of public schools of Missouri for 1868 is taken the following account of the actual disposal of several of the State quotas under this grant, having been compiled from correspondence with the State authorities.

Massachusetts received 360,000 acres, which were sold for \$236,307. Of the income derivable from this fund, two-thirds are devoted to an agricultural college located at Amherst, and the other third to the Massachusetts Institute of Technology.

North Carolina received scrip to the amount of 270,000 acres, upon which, at the date of the correspondence, nothing had been realized. The scrip had been sold, but under such circumstances that the trustees of the university to whom it was granted declined to receive the proceeds. If the act under which the sale was made should not be invalidated, the university will realize \$135,000; a sum insufficient for the support of an agricultural institution.

New Jersey had sold her 210,000 acres for \$110,000; this, being insufficient to maintain a separate institution, was added to the endowment of Rutgers College and Scientific School.

Indiana had received \$200,000 for her 390,000 acres; a sum inadequate to the establishment of a separate institution, which will require additional endowment from the State.

West Virginia had a grant of 150,000 acres, for which she received \$85,000. No institution as yet established.

Kansas seems to have disposed of her 90,000 acres on unusually advantageous terms, realizing \$360,000, which, if judiciously managed, will, it is thought, support a college.

Minnesota was still more fortunate, receiving \$600,000 for 120,000 acres, constituting a respectable endowment for a college.

Michigan had sold but a small proportion of her 240,000 acres, holding it at \$2 50 per acre. It was proposed to reduce the price so as to secure an early sale of the land, with the expectation of realizing some \$500,000. The college that had received the endowment had, at the date of the correspondence, been for eleven years in successful operation.

Connecticut had sold land scrip representing 180,000 acres for \$130,000, which was invested in State bonds at six per cent., the annual proceeds, \$8,100, being annually paid over to Yale College for support of the Sheffield Scientific School.

Kentucky realized \$165,000 for her 330,000 acres. Her agricultural college is part of the State University. It is fully organized, and has two hundred students.

Illinois has sold a part of her 480,000 acres for \$250,192.50, and it was hoped the disposal of the remainder, unsold, would augment the sum to a large endowment. The college is a separate institution.

Ohio had sold 629,920 acres for \$312,450.80. The proceeds had been invested at 6 per cent. per annum, but no plan of organization had been determined upon.

Wisconsin had devoted her 240,000 acres to an agricultural department of the State University. It had not been disposed of, but promised to realize a respectable endowment. The people of the county wherein the institution is located had given \$40,000 in furtherance of the enterprise. An experimental farm was part of the investment.

Pennsylvania had received for her 780,000 acres \$439,186.80. The State had given \$150,000 in addition, yet the united sum was thought insufficient to maintain the college, which is a separate institution.

Iowa located 240,000 acres of scrip within her own limits, and the plans of sale and lease have both been followed, the latter being preferred. The lands selected are valued at \$480,000. The college is located upon a farm of six hundred and forty acres, with buildings valued at \$111,000.

Maryland from the sale of 240,000 acres realized but \$105,000. This was assigned to an agricultural college already in existence, yielding an income of \$6,000. The secretary of state, after expressing doubt of its sufficiency to support a separate institution, adds: "But the best agriculturists and educators are dissatisfied. The prophecy is that the State will sink \$400,000 and that the college will go under. It cannot thrive as a purely agricultural school."

California's quota under this grant is 150,000 acres. It was proposed therewith to found at Oakland "the college of agriculture, mining, and mechanic arts," part of the State University to be located at this place.

Missouri received a grant of 330,000 acres, but many of the selections being double-minimum land on the line of the South Pacific railroad, it was reduced in quantity to 280,000 acres. A year previous these selections were estimated at the value of \$336,000, but according to the estimate of the State register, this estimate had risen 25 per cent. by June 15, 1869, on account of the general rise in value of lands along the line of the railroad.

New York received under the grant scrip representing 990,000 acres. The entire proceeds of this matchless gift were appropriated to Cornell University, at Ithaca, upon several conditions, among which the most important were that Ezra Cornell should give to the institution \$500,000, and that one student from each of the one hundred and twenty-eight assembly districts should be educated free of expense for tuition, such students being designated by a competitive examination on a plan laid down in the act. Mr. Cornell has donated not only the \$500,000 required, but also two hundred acres of land, the Jewell collection of geology and paleontology, which had cost him \$10,000, and \$25,000 in subsequent donations. Besides all this, Mr. Cornell had invested \$200,000 in purchasing the scrip and in locating the lands of the university. He had previously erected in Ithaca, at a cost of nearly \$100,000, a free public library, with large halls and lecture rooms, affording extensive supplementary accommodations to the institution.

The failure of many of the States to realize a competent endowment from the bounty of Congress may be attributed to hasty and inconsiderate disposal. Those States which still hold their lands either on lease or awaiting the rise of the market, bid fair to receive adequate means for the support of their agricultural colleges. The benefits even of the most unpromising of these enterprises, however, amply justify the expenditure.

In 1860 the entire number of educational establishments in the United States was 113,006, with 148,742 teachers and 5,417,880 pupils; the annual income was \$33,990,482. Of these aggregates 445 were collegiate institutions with 54,969 students. The academies and other schools not designated as public schools numbered 6,636, with 455,559 pupils. The number of public schools was 106,915, with 4,917,552 pupils. The aggregate number of public libraries was 27,730, embracing 13,316,379 volumes. The extension and perfection of our educational system has kept in advance of even our wonderful increase in population and physical resources. It is not directed by any overpowering interest to the promotion of selfish ends. It is controlled and directed by the people themselves. Intelligence is at a high premium in every free State, and is ample security for the faithful execution of this popular power.

Rigid disciplinarians bewail the lack of symmetry with which these popular efforts are conducted, but true wisdom teaches us to delay the formation of a complete system of American education until our experience shall have developed the true elements and necessities of the work.

Inasmuch as no general enumeration has been made since the census of 1860, it is impossible to procure aggregates representing the present status of educational enterprise in this country. A few items, selected from the school reports of the public-land States, will serve to illustrate at once the wonderful advance in the educational work of the nation, and the influence of the public-land system in its promotion.

The commissioner of common schools for the State of Ohio, in his report of the school year ending August 31, 1868, shows that there were 1,019,192 youths between the ages of five and twenty-one years, entitled to the benefits of the common-school system, being an increase of 23,942, or two and a half per cent. upon the previous report. The total value of school-houses and grounds in the same year was \$10,330,097, being an increase of \$1,257,654 over the value in 1867. The whole number of schools in 1868 was 11,783, an increase of 44; pupils enrolled 731,772, an increase of 27,005; average daily attendance 411,721, increase 13,235; teachers 21,592, increase 24.

In summing up results of the enlightened and beneficent legislation of the national government in this respect, it is ascertained that the aggregate endowments in the cause of education are—

	Acres.
For common schools.....	67, 983, 914
For universities.....	1, 082, 880
In virtue of the agricultural and mechanic college grant...	9, 510, 000
Total.....	78, 576, 794

If the third grant above referred to be extended to the eleven Territories when admitted as States, and on the basis of two senators and one representative each, the agricultural and mechanic college grant would receive an increase of.....

990, 000

Making the princely endowment by Congress in the cause of education of 79,566,794 acres, or 124,323 square miles—a larger surface than the united areas of England, Wales, Scotland, Ireland, and all the surrounding islands in the English seas.

#### CONCESSIONS IN AID OF INTERNAL IMPROVEMENTS.

Congress, by the act of 3d March, 1863, granted 200,000 acres of land to the State of Michigan, "to aid in building a harbor and ship canal at Portage Lake, Keewenaw Point, Lake Superior." The State has taken the action required by the statute, and through agents has filed lists of the whole 200,000 acres. Of that quantity 122,050 acres have been certified to Michigan, the residue being in course of adjustment. These lands were required to be selected from those nearest the line of improvement, by alternate sections, and are accordingly being so selected. By the act of July, 3 1866, a further grant of 200,000 acres was made for the purpose above mentioned; 150,000 acres to be taken from alternate odd numbered sections, and 50,000 acres of the even-numbered sections, all in the Upper Peninsula, and of lands to which homestead or pre-emption rights did not exist. Of this grant, 133,058 acres have been certified to the State, and the residue is in process of adjustment.

As heretofore stated, the grants to the State of Wisconsin, by acts of 8th August, 1846, and 3d August, 1854, for the improvement of the Fox and Wisconsin rivers, have been finally adjusted. Such is also the case with the grant of 100,000 acres, made by the act of July 3, 1866, in aid of the construction of a ship canal to connect the waters of Lake Superior with Lac La Belle, which has been finally closed. The grant of 200,000 acres made to Wisconsin by the act of April 10, 1866, to aid in the construction of a breakwater and ship canal at the head of Sturgeon Bay, to connect the waters of Green Bay with Lake Michigan, has been fully satisfied.

As shown in the last report, it was decided by the department that the grant of 500,000 acres, made by the act of September, 1841, and extended to Nebraska by act of February 9, 1867, should not be reduced by the quantity granted by the act of April 19, 1864, for the reason that the latter grant was for purposes wholly distinct from those contemplated by the act of 1841. Under this grant the State has selected 386,967 acres, which are in process of adjustment, and the whole will soon be finally adjusted and settled.

The munificence of Congress in aid of internal improvements is shown in the grants for that object—

	Acres.
Under act of 1841, which, when fully satisfied, will be equal to .....	7,306,544.67
To which add, on account of prior grants for roads and improvement of rivers .....	623,716.14
Des Moines improvement .....	834,079.70
Fox and Wisconsin River improvement .....	684,728.42
Canal purposes .....	4,405,986.00
<b>Total .....</b>	<b>13,855,054.93</b>
Estimated for wagon roads .....	3,782,213.27
Evidence of title has already been furnished in aid of railroads .....	22,221,308.87

The estimated area which will inure under existing laws in aid of the construction of railways and wagon roads is 185,890,794.67 acres, showing subsidies unequaled in the history of any government for the objects contemplated.

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UNITED STATES RAILWAY SYSTEM.

It is difficult, in this age of railroads and telegraphs, to realize the consequences incident to the isolation of different parts of civilized communities. The condition of English highways, and the ineffective police arrangements in past ages, which permitted gangs of freebooters to lay contributions, even upon the King himself, when traveling, exhibits a state of society which we can hardly imagine as existing within the last three centuries. Still more singular is the chronic opposition manifested during past ages to all efforts for removing these disabilities and for the improvement of the general relations of society; an opposition not from the poor and uninformed, but from the wealthy and enlightened. Even literature itself was arrayed against progress; two centuries ago a well-written pamphlet was published in England, entitled "The Great Concern of England Explained," predicting the ruin of trade and countless other miseries from the introduction of stage coaches. Time and its wondrous results silenced the croakings of that day, but they have been renewed with the introduction of each successive improvement in travel, transport, and the transmission of intelligence. They become less obtrusive, however, as the spirit of progress pervades the entire framework of society, and are gradually lost amid its stirring activities.

The improvement of public highways by McAdam in 1815, and the extension of canals, had greatly increased the internal commerce and travel of England; but an era of commercial and industrial activity was approaching, the demands of which were to call forth an immense enlargement of the powers of locomotion. "I do not like the look of those tram-roads; there is mischief in them," said the Duke of Bridgewater. The old chronic dread of improvements assumed a specially belligerent phase among the landed aristocracy of England on the inauguration of railroad enterprise.

To this cause may be attributed the slow growth of its infancy; it was not until it was reinforced by locomotive steam-power that it gathered successful headway against powerful adversaries. Tram-roads, first of wood and then of iron, were extensively used toward the close of the last century. An iron tram-way had been built at Colebrook Dale as early as 1760, and so common had become this class of improvements that in 1811 there were in South Wales alone no less than one hundred and eighty miles completed. These, however, were but the adjuncts of mining or other enterprises, and were not for public use. The idea of a public tram-way, the inceptive thought of modern railroad, gradually worked out its own practical development. In 1801, the first act of Parliament giving authority for railway construction was passed by incorporating the "Surrey Iron Railway Company," from Wandsworth to Croydon, "for the advantage of conveying coals, corn, and all goods and merchandise to and from the metropolis and other places." The authorized capital of this company was £35,000, but it was empowered to borrow £15,000 more.

In this act of incorporation it was evident that the British legislators but feebly realized the significance of their own work. The act was framed upon the usual methods of legislation in the case of canals. The company was merely to construct the road and permit other parties, at rates of toll varying from 2d. to 6d. a ton per mile, to furnish

rolling stock and to transport merchandise. The introduction of steam power, and the consequent necessity of careful regulation of trains, soon rendered this method of working the road entirely impracticable, and the actual transportation of merchandise gradually became a monopoly of the company. It is a question of grave interest whether we should not recur to first principles and inaugurate railroads upon the system of public use, as in the case of canals and turnpikes; the practical difficulties in the way of this policy will soon perhaps be removed by the developments of science and experience.

In 1821 a railway was chartered from the collieries near Darlington to Stratford-on-Tees; and in 1823 the act of incorporation was amended to admit the use of steam power on the recommendation of George Stephenson, who had just completed his improved locomotive. This was the first road allowed to carry passengers. Hostile influences secured the insertion in this act of a restriction of the coal freight tariff to half a penny a ton per mile; but this provision, designed to defeat the enterprise, only developed an unexpected element of utility. It was soon found that low freight charges, by lessening the market price, enhanced the demand for coal and enlarged the amount of transportation to an extent which remunerated the reduced tariff.

In 1838, there were 490 miles of railway open in England and fifty in Scotland; their entire cost of construction £13,300,000. In 1843, 2,390 miles of railway had been authorized, of which 2,036 were open; total authorized capital £82,848,041, of which £66,000,000 had been raised. The profits of some of the earlier roads had attracted an immense amount of capital to railroad investment and induced the establishment of competing lines, raising, in fact, a furor of speculation. During the three following years of railway excitement four hundred and forty-seven companies were incorporated, with authority to construct 8,043 miles, at a cost of £211,596,868. A destructive reaction succeeded, under the influence of which 1,560 miles of the above lines were abandoned, followed by a heavy decline in the annual rate of construction. Railroad enterprise in England, having passed its stage of speculation, has assumed a settled and systematic form; shorter lines have been consolidated with longer ones; permanent legal relations have been established between different lines; official responsibilities have been settled, and admirable arrangements perfected, to secure the safety of life and property. The railway statistics of the United Kingdom for 1866 show 13,855 miles in operation, of which 9,701 were in England; authorized capital £620,564,406, of which £386,806,321 had been paid up; passengers carried, 274,293,668, besides 110,227 season-ticket holders; animals carried, 15,948,797; goods traffic, 85,488,074 tons; gross receipts, £38,164,334, of which £19,342,681 were net profits.

The history of internal improvements in the United States reproduces several features of that of the mother country. Canals and turnpikes preceded railways, and the latter first appeared under the form of the humble tramway. In 1826 a horse railroad was commenced from the granite quarries of Quincy, Massachusetts, to the Neponset River, three miles distant. During the following year this road was completed, and another, nine miles long, was constructed from Mauch Chunk, Pennsylvania, to the Lehigh River. Local enterprises of this character, limited to the transportation of mining products, multiplied, but the construction of more extended lines awaited a heavier pressure of public necessities.

In 1824 the magnificent resources of the great Mississippi basin had attracted the attention of business men in the Atlantic States, *and* *is*ing an immense volume of trade between the two sections. ¶

exalted anticipations of the growth of the great West then indulged in were exceedingly feeble compared with what has since been realized. They were sufficient, however, to excite a keen and powerful competition between the cities of the seaboard for the trade of that region. Boston, New York, and Philadelphia, expected to pass the Alleghany Mountains in their northern and less elevated portions by means of canals, and thus tap the eastern watershed of the Mississippi basin. Baltimore, though nearer to the West than any of them, was compelled to resign this hope on the report of the engineer, General Bernard, who represented the natural and financial obstacles to canal construction across the mountains as practically insurmountable. To highly-wrought expectations succeeded despair, and many business men migrated to northern cities. Meanwhile, the idea of a railway was suggested by parties who had observed the operations of the infant railroad system of England. Intelligent business men became interested in the discussion, which finally evolved a practical movement. The ground was broken July 4, 1828, for the Baltimore and Ohio Railroad, and the first passenger railway in the United States was placed under construction.

The Pennsylvania Central and the New York Central are consolidations of shorter lines constructed by local and independent efforts over portions of the space intervening between the Atlantic slope and the Mississippi basin, both having resulted from the same general rivalry for the control of western trade, which prompted the construction of the Baltimore and Ohio road. The special advantage which the New York Central gave to Boston by its connection with that city, in drawing thither western produce for shipment, especially in the winter, when the Hudson River was frozen, induced New York capitalists to build a rival route, the New York and Erie line, from New York to Dunkirk, on Lake Erie. The construction of these lines of railroad and of the previous lines of canal across the Alleghany has exercised powerful influence upon the destinies of the nation. It is scarce to be doubted that, without the intervention of these modern improvements, the east and the west would have grown up into comparatively independent communities. The rivers of the Atlantic slope, mostly estuaries, draining a limited portion of country, afforded no facilities for piercing the mountain barrier. The river system of the Mississippi, seventeen thousand miles in extent, radiated from the Gulf of Mexico, and promised cheap and ready-made channels for the teeming productions of the great central basin. New Orleans and Mobile were looming up as the seaports of a growing western empire, with a commercial sway extending to the great lakes on the north and to the Rocky Mountains on the west. The first line of separation, then, which threatened the unity of the republic was a north and south line dividing eastern and western sections, a line entirely obliterated by the construction of those magnificent east and west lines of communication by which the Alleghanies were practically leveled and a homogeneous American society spread out from the Atlantic to the Mississippi.

Meanwhile the southern Atlantic States were not indifferent to this transcendent interest. The South Carolina railroad was commenced in 1830, and in 1833 completed to Hamburg, one hundred and thirty-six miles. It was then the largest railway in the world, and was the first upon which appeared an engine of American construction. It was also the first railroad upon which the mails were transported. Important connections have since been pushed westward to intercept the trade of the Mississippi Valley. Savannah has thrust iron arms into the heart of the western cotton regions, and established interior relations of the most advantageous

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character. Virginia and North Carolina also constructed important lines of railway connecting with the West and Southwest. Thus the two great primary sections of our country, the East and the West, had established along their entire line of demarcation commercial relations and common interests of incalculable value, settling permanently the question of their social and political union.

The wealth of the older States enabled them to supplement these main lines of communication with a network of local routes, covering the entire Atlantic slope, and thus brought all parts of the country into ready intercourse. The extension of local connecting lines, however, was sadly restricted by the want of capital in the younger States that had been organized on the western slope of the Alleghanies. But railroad enterprise was entering upon a new phase of development. It was no longer to await the necessary accumulation of capital by the slow processes of old-time industry. It was henceforth to create its own material of construction, and within the past twenty years has assumed the new function of leader in the van of progress.

In the middle of the nineteenth century the demand for railway extension in the West exceeded the amount of domestic or foreign capital that could be attracted to the investment. In this emergency our public-land system was destined to crown its priceless benefits to civilization by presenting a practicable solution of the difficulty. It was a fortunate expedient, suggested by a western statesman, to endow incipient railroad enterprises passing through the public lands by granting the odd-numbered sections within moderate limits as a subsidy, the price of the even-numbered sections being doubled, to prevent loss to the national treasury, the additional value conferred upon the lands by the construction of the railroads being justly regarded as an ample consideration for their increased cost, while a demand would be created for a large area of adjacent public lands, which otherwise might remain for years a drug in the market.

The first recipient of this government aid was the Illinois Central railroad. By act of September 20, 1850, the even-numbered sections on each side of the line of that road and its branches, within six miles, were granted to the State of Illinois to aid in its construction. The aggregate amount of land donated by this act was 2,595,053.60 acres, which, at the minimum price of \$1 25 per acre, represented a nominal value of \$3,243,750. This sum, though imposing at that day, will now be regarded as a very small draft upon the wonderful resources developed by the construction of the road.

This new policy of disposing of small portions of the public domain as subsidies for improvements in local communications, which should not only enhance the value of the residue, but also confer benefit upon the whole nation, rested upon a more liberal, and, at the same time, a more judicious interpretation of the powers of the general government respecting the public domain. It was one of a series of facts indicating the opening of a new chapter in the progress of American civilization. It closely synchronized with the discovery and exploitation of the placer deposits of precious metals upon the Pacific coast, which imparted so great an impulse to the westward movement of our population, and became immediately productive of important results, by stimulating railroad movements in the younger public-land States. The principle of government subsidy was destined to a speedy and enormous application in all those States in which there were projected lines of road of prime necessity to the forward movement of civilization, but crippled by want of capital. The claims set up in behalf of these enterprisers

landed endowment were not rejected in view of the precedent established in the case of the Illinois Central.

Since the inauguration of this policy, Congress has granted for railroad construction to fourteen States, viz: Illinois, Mississippi, Alabama, Florida, Louisiana, Arkansas, Missouri, Iowa, Michigan, Wisconsin, Minnesota, Kansas, California, and Oregon, by different statutes, 58,108,581.40 acres, of which, however, only 22,056,507.37 have been certified and patented. In addition to this aggregate, which covers an area more than double that of the State of Ohio, there have been granted to three States, viz: Michigan, Wisconsin, and Oregon, 3,782,213.27 acres, for the construction of wagon roads. In the fourteen States above enumerated there were, at the close of 1868, in full operation, 13,167 miles of railway, nearly all of which is due to the endowment by the general government.

A very large proportion, more than one-half, of the endowed roads in these States are as yet incomplete, as may be seen in the small proportion of the lands inuring under the grants which have as yet been certified and patented. The statistics of these States would be an interesting study, in order to estimate the immense volume of wealth and prosperity resulting from this wise and generous policy, but later and broader developments now challenge attention. Within the last five years railroad enterprise has assumed its grandest phase and performed its noblest achievements. In its infancy, on the Atlantic slope, it had drawn heavily upon the financial resources of the community for its construction account; but it had repaid every outlay a hundredfold. In its second period of growth, in the Mississippi Valley, it improvised the necessary capital by drawing upon the undeveloped resources of the future. In its latest definitive stage it has gathered strength to project itself across a thousand miles of almost untrodden wilderness, in order to weld the outlying members of the American Union upon the Pacific coast to the parent mass of home civilization.

Twenty years ago the discovery of gold in California gave rise to an extensive immigration from every State in the Union, and from Europe. Erroneous impressions in regard to the agricultural character of that region at first gave to this immigration the character of mere temporary adventure. Men proposed for a short time to exile themselves from civilization, and undergo special hardships, in hopes of rapidly amassing wealth with which to return and assume at home higher position in society. But the soil was found to be endowed with productive capacities which promised to surpass even the dazzling returns of mining enterprise. This fact, in connection with a wonderful geniality of climate and beauty of scenery, soon began to attract permanent settlement. Immigration brought more reliable elements of population. A vigorous organization of American society was speedily effected, and three Pacific States have been added to the Union, with a civilization of an advanced order, embracing a population of over a million souls. These communities were isolated by thousands of miles of wilderness. A broad *terra incognita* had been located by early geographers in the heart of our continent, and called by them the Great American Desert, intersected by formidable mountain chains, across which a few daring explorers, following the migrations of the deer and the buffalo, had traced devious, toilsome, and perilous routes. The alternative to this overland travel consisted of the Isthmus route, partly by sea and partly by land, over foreign territory, and of a still longer sea route around the continent of South America. The increase of the agricultural and mineral products of the Pacific slope seeking eastern markets, demanded speedier, cheaper,

and safer transportation. The swelling tide of immigration called for greater facilities of travel. The heart and brain of the American people have been perplexed with these problems from the commencement of our Pacific settlements, and various solutions have been proposed. So early as February 20, 1849, a committee of the House of Representatives of the United States reported upon a project for the construction of a railroad from Lake Michigan to the Pacific Ocean, as suggested by Mr. Asa Whitney, of New York. The earlier projects, resulting from very imperfect information, were necessarily crude and unsatisfactory. The pressure of the public interest involved, however, was too powerful to be postponed, and the general government was constrained to take initial action by a modest provision in the act of March 3, 1853, making appropriations to the support of the army, for the employment of the topographical engineer corps in making explorations for a railway from the Mississippi River to the Pacific Ocean. Under the authority of this and subsequent acts a series of explorations along different parallels was made, and the results published, in 1855, by order of Congress.

These reports having been placed before the public, the best constructive and financial minds of the nation were soon deeply engaged in co-ordinating the facts presented into a scheme of practical operation. The war of the rebellion, instead of overawing the public mind by an imposing array of the financial and engineering difficulties of a trans-continental railway, stimulated the action both of the people and the government by showing the necessity of this enterprise to the territorial integrity of the republic. In spite of the enormous outlay for military operations, Congress responded to the demand of the people by passing several acts, from 1862 to the present time, endowing different railroad enterprises with splendid land donations, and loaning the public credit to three corporations for the immediate construction of a line of railroad and telegraph from San Francisco to Omaha and Kansas City, to the amount of \$50,000,000.

In the prosecution of railroad enterprises in its new aspect and on its enlarged scale Congress found it necessary, as mentioned in a previous report, to recognize a new principle in the interpretation of its constitutional powers. In the landed endowment of railway companies the States within whose limits the roads were to be constructed were made the trustees of the national bounty. In the Territories, however, there was no independent authority; the territorial governments, the creation of federal enactment, were of necessity ephemeral in their character, passing out of existence on the erection of their Territory into States of the Union. In large portions of the public domain there were not even territorial governments, and civilized society did not exist in any force. In this case it was necessary to create, by direct legislation, the corporate agencies essential to execute the splendid schemes of trans-continental communication, upon which world-wide interests were depending. By act of July 1, 1862, Congress gave the initial organization to this movement, providing for the construction of a main line of railway and telegraph from Omaha, Nebraska, to San Francisco, California, with a branch diverging southward at the one hundredth meridian, and terminating at the mouth of the Kansas River, confiding to the Central Pacific Railroad Company, a corporation under the laws of California, the construction of the western portion of this line, and to the Leavenworth, Pawnee, and Western Railway Company, incorporated under the laws of Kansas, the construction of the southern branch; it incorporated the Union Pacific Railroad Company with a capital of \$10,000,000, for the construction of the eastern portion of the main line. To each of these companies the

odd-numbered sections of public lands for ten miles on each side of their respective lines were granted as subsidies to aid in their construction. In addition to this landed endowment, government loaned its credit to the amount of \$16,000 per mile, on the completion of each section of forty consecutive miles, in bonds of \$1,000, each, whose delivery was to constitute *ipso facto* a first mortgage on the road and its appurtenances for the repayment of the loan. For the portions of the road extending one hundred and fifty miles westwardly from the eastern base of the Rocky Mountains, and the same distance eastwardly from the western base of the Sierra Nevadas, the amount of government bonds loaned per mile was trebled, and for the intervening sections it was doubled.

By act of July 2, 1864, the land grant was doubled, embracing the odd-numbered sections within twenty miles of the line on both sides, and each company was permitted to issue bonds equal to the amount per mile loaned by the government, the lien of the latter being subordinate to that of the former. The amount of landed subsidy accruing under the grants to the Central Pacific, Union Pacific, and Kansas Pacific Companies, for the construction of the main line and the southern branch, will not be less than 35,000,000 acres, of which only 164,801.48 have, as yet, been certified and patented. The total amount of government bonds issued to these companies is \$51,009,000, being \$26,638,000 to the Union Pacific and \$24,371,000 to the Central Pacific.

These imperial subsidies find no parallel in history; they are significant indications of the enormous financial power of a high civilization organized upon the normal basis of an intelligent democracy. The land grants are equal to the united areas of New York and New Jersey, while the government credit loan surpasses the most splendid examples on record of royal or imperial munificence. That such a donation should be made, and such enormous financial obligations assumed, by a young nation in the darkest hour of its struggle for existence, and the permanent establishment of the great principles on which it is founded, exhibited a matchless reliance upon its own resources, and an invincible determination to achieve the grandest results of civilization which have been so amply illustrated.

The magnitude of the task of constructing the initial line of trans-continental railway it is now ascertained was largely overrated, and immense profits have consequently accrued to the fortunate capitalists whose faith was proof against the imposing front of untried difficulties that then beset the enterprise. But this is one of the necessary incidents of grand undertakings. The benefits accruing to the nation and to humanity would warrant the expenditure of ten times the cost already incurred. There are features in the plan of landed endowment of these and other railroads which the increasing light of experience has shown to be objectionable. The conveyance by patent to the railway companies of such immense bodies of real estate affords a nucleus for the formation of immense landed monopolies. It is suggested that hereafter such untoward results would be avoided by retaining the lands donated to railroads in the hands of the government, and appropriating the proceeds of their sale as fast as disposed of to companies building the same, and then to restrict such grants to works of great public necessity.

The operations of the Union Pacific, Central Pacific, and Kansas Pacific Companies, in the construction of their respective lines, exhibit a combination of skill and energy that is one of the marvels of the age. The Union Pacific Company commenced building from Omaha, its eastern terminus, in 1865, finishing fifty miles during that year. In the con-

struction of the lighter portions of the route a facility and rapidity of movement was acquired which would transcend all power of belief, were not our ideas so expanded by the wonders multiplying around us. As the work advanced from its base of supplies into the interior wilderness, notwithstanding the increasing difficulty and expense of transportation, the rate of construction seemed to be accelerated. The materials for superstructure of each mile of the road, weighing not less than three hundred tons, were necessarily transported along the entire line from Omaha, besides the supplies necessary for the subsistence of the grand army of workmen and draught animals. Passing the Laramie Plains and crossing the first range of the Rocky Mountains, the operations of construction were carried on in the dreary alkali desert, through which water as well as other supplies must be transported. Supplies, as heretofore stated, were gathered a thousand miles eastward, accumulated in enormous magazines at eligible points of distribution, and transported to their respective localities without interfering in the least with the regularity of the work. In spite of these difficulties the rate of construction rose to six or eight miles per day. The same admirable capacity for organization was manifested with no less remarkable results in the construction of the road through mountain regions. The most striking achievement, however, in the difficult portions of the enterprise, was by the Central Pacific Company on the west end of the line. The passage of the Sierra Nevada is regarded by professional authorities as a masterpiece of engineering and executive energy and skill. To cross the maximum summit seven thousand and forty-two feet above sea level, within one hundred miles of the tidal waters of the Pacific, required a scientific distribution of the ascent in order to render it practicable to ordinary locomotives, and an expensive construction, elaborate but imperfectly realized even by intelligent and careful readers. The Union Pacific railroad, in crossing the Rocky Mountain chain, attained a higher altitude, but its grades were much lighter, being spread over a greater range of country. The Central Pacific, however, secured a remarkably alignment, using direct a minimum radius of five hundred and seventy-three feet. Its maximum grades are one hundred and sixteen feet per mile, to which, by act of Congress, all the Pacific roads are restricted. While the summit was being perforated with a tunnel seventeen hundred feet long, the iron rails were dragged over by the simultaneous construction of the sections beyond. A unique feature in the construction of this route is a range of sheds of heavy timber, forty miles long, for protection against the snow. In the more level country east of the Sierra the Central Company was enabled to emulate the rapidity of movement of the Union Pacific, and a junction was effected May 10, 1869, at Promontory Point, near the head of Salt Lake.

Thus was completed the initial line of transcontinental railway communication. When the enormous extent of the work is considered, and especially the towering obstacles in the more difficult portions of the line, we may well be astonished at the result, illustrating the American name with a glory unequalled by any former achievement in our brief but eventful history.

What has thus been accomplished is only the starting point of a still nobler career. It is but the preliminary demonstration of the wonderful capacities of railway enterprise for the anchorage of society and the subjection of the earth's resources to the wants of civilized man.

The equipment of these roads is of the first character, and constructed by the best mechanical skill which science can afford. They have established workshops for the construction of their own rolling stock—a

system which the experience of railroads in this country has fully vindicated. They now constitute a great steam highway, traversing the region now occupied by ten States and Territories. Of these, California has a population of 600,000; Nevada, 60,000; Oregon, 100,000; Idaho, 50,000; Montana, 50,000; Utah, 150,000; Colorado, 80,000; Wyoming, 20,000; Dakota, 20,000; and Nebraska, 150,000, making a total of over 1,200,000. The completion of this route has enormously stimulated the annual increase of these populations by immigration. We may reasonably expect that the beneficent provisions of our pre-emption and homestead laws will soon be laid under contribution by millions of settlers. A scientific agriculture and a more skillful mining industry will soon swell the volume of raw production throughout these roads, and demand an immense increase in transportation. In process of time there is reason to hope that social science will crown her practical benefits by devising means for the reclamation of even the alkali regions of the Rocky Mountain Plateau. Within the limit of the so-called American desert will yet grow immense forests from seed planted by the hand of man, covering bleak ridges and plains, arresting excessive evaporation, and ameliorating climates. A judicious irrigation will redeem millions of acres from sterility, and add magnificent tracts to the productive area of the nation. The generous fruits and the heavier cereals will supply vegetable food in enlarged quantities; while the immense herd of domestic animals, grazing upon the inarable tracts of hill and mountain, will increase the volume of animal products for the sustenance of the people. The enhanced yield of the precious metals will enlarge the basis of exchanges, while the exploitation of the useful minerals, by enhancing raw production, will give rise to a mechanical industry of splendid proportions.

The domestic commerce, resulting from the exchange of these raw and manufactured products, will be of transcendent value. The immense proportions of the foreign trade of a nation are indicative of general prosperity only when these bear but a small ratio to the domestic trade. It is with great satisfaction, therefore, that we recognize an immense preponderance in our home commerce. It is believed that these domestic activities will far overtax the present or prospective capacities of the single line of trans continental railway already completed. When, in addition to this, the Pacific roads are called upon to meet the demands of the vast foreign traffic, whose swelling tide has already been felt, the necessity of enlarging the facilities of travel and transport will become imperious. Wagon freights to the Pacific last year were estimated by reliable authority at 230,000 tons per annum, costing \$13,000,000. Prior to that year at least 154,000 persons annually passed from ocean to ocean, paying for their transportation \$31,000,000. The completion of the Pacific roads has, doubtless, swelled these annual aggregates to 500,000 persons and \$100,000,000. Oriental commerce, so long monopolized by European nations, will, ere long, pay its tribute to the American flag. The expensive caravan routes of Eastern Asia will soon be supplanted by modern railways, built by American enterprise and capital, bringing the teeming products of its mighty industrial system within the sphere of attraction of our network of public highways. The Yang-tse-Kiang, the Mississippi of China, now vexed by the paddle-wheel of the steamer, is discharging the massive production of the great interior right opposite to San Francisco. The initial enterprise of Pacific Ocean navigation is in American hands; the Pacific mail steamers have already deflected to San Francisco an immense tide of travel and transport from Shanghai and Yokohama that would otherwise have reached Europe and America.

by way of the Suez Canal. The annual tonnage of San Francisco, which had increased from 765,900 in 1866 to 901,401 in 1867, cannot now be less than 1,250,000. The number of passengers arriving there in 1867 was 38,800, an aggregate which, nearly doubled in 1868, cannot fall far short of 100,000 in 1869.

The mass of Oriental commerce and travel passing across our continent must soon be greatly increased. The improvements in railway transport and in navigation will quicken the passage on both elements. The opinion is gaining ground that the time occupied in a transit from Yokohama to London across our continent will soon be reduced to three weeks—the time now required for the trip across the Pacific. The volume of transportation that we will thus be enabled to attract will transcend the capacities of any one route. We must then look to the multiplication of our trunk lines and the extension of minor cross lines. The Kansas Pacific Company, until lately known as the Union Pacific, Eastern Division, has completed its route westward from the mouth of the Kansas River to the one hundredth meridian, as authorized by the act of July 1, 1862. By act of July 3, 1866, this company was required to connect with the Union Pacific road at a point not more than fifty miles west of the meridian of Denver, Colorado. By act of March 3, 1869, it was further allowed to contract with the Denver Pacific Railway and Telegraph Company, incorporated by the territorial legislature of Colorado, for the construction, maintenance, and operation of that part of the line between Denver and Cheyenne, the point fixed by this statute for the junction of the Union Pacific and Kansas Pacific lines. In this statute, however, is reiterated the requirement that the Union Pacific and all its branches shall be worked as a continuous line, a provision of inestimable public benefit.

The Kansas Pacific, by act of July 1, 1862, was entitled to a loan of government bonds to the extent of \$16,000 per mile, on the line from the eastern terminus to the one hundredth meridian.

The entire loan, computed on the shortest of the alternative lines of survey presented by the company,  $393\frac{1}{2}$  miles, amounts to \$6,303,000; the length of the line actually built, however, is 405 miles. At the date of their last annual report 440.25 miles were completed, and the directors promise vigorous efforts for constructing the entire line, hoping to reach Denver by June 1, 1870. The traffic of this route is of the most encouraging character. The quelling of Indian disturbances has given rise to a great increase of through travel, the aggregate of passengers for 1868 being 109,332, showing an excess of west-bound passengers of 10,094. Each passenger averaged 61 miles. The total amount of freight transported was 124,377 tons, showing an increase in the regular mercantile traffic over that of the previous year. The gross earnings amounted to \$1,910,161 83, of which \$873,667 63 were clear profit.

The foregoing routes constitute the initial system of railway communication across the central portion of the public domain. The enterprise in its inception was, in many respects, purely experimental. The lessons of experience which it has taught outweigh in value the immense cost. A commencement has been successfully made in the work of internal improvement, and the public mind is rapidly advancing to still more momentous undertakings. Among the points established in the experience of the past five years is the insufficiency of a single line of railway communication from the Mississippi to the Pacific. It is the opinion of men, whose position gives them ample opportunities of making up an intelligent judgment, that the local traffic created by the completion of the Pacific roads will, alone, constitute a splendid business,

while the through traffic of American freight will absorb the residue of their capacity for transportation. When the trade from Asia is added by the existing steamship line, and by steam and sailing vessels, which will soon be put upon the Pacific Ocean routes, the inability of a single line to meet the demands will lessen confidence in the route, and drive freight and travel from Eastern Asia westward through the Suez Canal. If the Pennsylvania Central, in the presence of four powerful rivals, the New York and Erie Canal, the New York Central, New York and Erie, and the Baltimore and Ohio railroads, has been compelled not only to double, but to triple its track, to accommodate only a portion of the business of the Ohio Valley, will not the expanding trade across the continent require an increase of facilities for travel beyond any single line?

There is another aspect of the case, strongly reinforcing the absolute necessity of several through trunk lines. Any single line will necessarily become a monopoly. It is true, Congress, in the act of July 1, 1862, reserved to itself the right to intervene, for the purpose of correcting this evil, by lowering the tariff of charges, should they become excessive; but it is not so easy for the legislative department to interfere without affecting other interests. The end in view can be secured without the compromise of any vested rights, and in a far more desirable manner, by the establishment of competitive lines. Furthermore, it must be remembered that the Union Pacific is a compromise line; that its central position was secured at the sacrifice of several prominent advantages presented by other routes that have been surveyed—advantages which, in the increased activity of commerce and travel, cannot long be ignored.

Prominent among the disadvantages of the central railway route, is the great altitude at which it was found necessary to pass the Rocky Mountains and the Sierra Nevada. The maximum altitude of the Central Pacific is 7,042 feet above sea level, a grade to be overcome within one hundred miles of the sea-coast. The Union Pacific attains an altitude of 8,262 feet above sea level at Sherman's or Evans's Pass. These high elevations, during the winter, involve serious obstruction from snow. To obviate this difficulty the Central Pacific Company, as before stated, have covered some forty miles of its most exposed route with sheds of heavy timber, involving an enormous expense.

The Northern Pacific presents as one of its strong claims to public attention its comparatively low summit levels. It proposes to cross the Cascade Mountains in Washington Territory by the Snoqualmie Pass, 3,000 feet above sea level, and the highest range of the Rocky Mountains by Cadotte's Pass, whose elevation of 6,167 feet may be reduced to 5,337 feet by a tunnel two and one-eighth miles long. Blodget's charts show that the respective points where the Northern Pacific and the Union Pacific pass the main range of the Rocky Mountains are on nearly the same winter isothermal parallel of 20° Fahrenheit, with about the same winter temperature on the adjacent plains and foot hills, and with a summit level at Cadotte's Pass 3,000 feet lower than that at Evans's Pass.

The Northern Pacific offers a pretty safe guarantee against these formidable obstructions from snow which the more southern route has already experienced. The Northern Pacific route claims to be the shortest and most central from the tributary waters of the Atlantic and Pacific Oceans. Its main line from Lake Superior to Puget's Sound is seventeen hundred and seventy-five miles in length, being seventy



miles shorter than the Union Pacific, and reaching two hundred miles further eastward.

From its western terminus to Japan, China, and Russian Asia, the ocean navigation is nearly five hundred miles less than from San Francisco. Seattle is also seven hundred miles nearer to our newly acquired Russian territory. This route further claims to pass through a very small proportion of country deemed uninhabitable. In its construction it will not require the transportation of materials such immense distances as was necessitated by the plains and mountain regions of the Union Pacific line. Its materials of construction are found in abundance along its route; it is even proposed to supply iron rails by opening its splendid deposits of coal and iron ore. The estimated cost of construction and equipment of the main line is \$140,377,500, to which add for the construction and equipment of the Oregon branch \$16,480,000, making the grand total \$156,857,500.

The eastern connections which would naturally be made by this line are very important. A convention of trading, transportation, and other public interests was called at Oswego for the 6th day of October, 1869, in behalf of a continuous line of trans-continental railway through Chicago, Portland, and St. John's, by which it is hoped to secure a transit from London to San Francisco inside of two weeks. The shorter Pacific navigation connected with the Northern Pacific route, in addition to its own shorter line, will have powerful influence in attracting these eastern connections, deflecting, perhaps, the main line of Asiatic travel to Seattle from San Francisco.

The Northern Pacific was incorporated by act of Congress approved July 2, 1864. Its subvention from the general government consists of a grant of lands, including twenty odd-numbered sections on each side of the line, or 25,600 acres per mile. No loan of government bonds has been promised for its construction. But the day of such extraordinary endowments is passed. Pacific railroad enterprise, however, is entering upon a self-sustaining stage, and it is believed that it will be able to stand upon its own basis, and that doubtless the Northern Pacific road will have become, within the next ten years, an accomplished fact. Should the government decline further loans for railway construction, an outlet will be closed for surplus capital which will be compelled to seek other investments.

The undeveloped resources of this company are attracting the attention of capitalists. Its landed subsidy is double that of the Union Pacific road. Comparatively a very small proportion of its line runs through an elevated region. Governor Stevens was of the opinion that not more than one-fifth of the land from Red River to Puget's Sound is inarable, and that this is largely made up of mountains covered with valuable timber. It is evident that an immense agricultural area is here awaiting development. The great wheat-growing regions, on the left bank of the Upper Missouri, promise speedy settlement upon the opening of an avenue for the transportation of their products to market. Each section of the road as it is completed will, from local traffic alone, find ample returns for its investment.

The construction of the eastern section of this road from Lake Superior to the Red River of the North will be temporarily superseded by the completion of the St. Paul and Pacific railroad, incorporated by the State of Minnesota, and under rapid construction. This road was endowed, by act of March 3, 1857, with twelve sections of land per mile. Its present objective point is Breckinridge, on Red River, two hundred and fourteen miles from St. Paul. The bonds of this company are held

in Holland, the road having been built mainly with Dutch capital. Its average cost of construction hitherto has been about \$30,000 per mile. It is expected the whole line will be in operation before the close of the current building season. It has already proved its importance by attracting a large Scandinavian immigration to the region through which it passes. It taps the important and unique overland trade of the Red River country, now carried on by half breeds, in immense caravans of ox and dog carts, sometimes numbering fifteen hundred in a single train. At St. Paul this route will connect with the net-work of railroad lines permeating the Mississippi basin and the Atlantic slope, and will constitute an important link in the great northern trans-continental route.

A southern through line of railway from the Mississippi Basin to the Pacific seems to be settled upon in the public mind as one of the requirements of American civilization within the next ten years, and there are a number of rival claimants aspiring to meet this public necessity. The Kansas Pacific, having obtained authority of law for transferring the construction, maintenance, and operation of that portion of their line yet uncompleted, from Sheridan to Denver, now proposes to extend its line to the Pacific by one of two alternative routes along the thirty-fifth and thirty-second parallels respectively. Both of these routes claim especial advantages. The southern latitude is ample security against the winter obstructions of the northern routes. At all times of the year the entire line will be in practical operation. The great body of the central barrens of the American continent will be flanked, and these routes will develop a country of unsurpassed agricultural and mineral resources. The finished portion of the Kansas Pacific road has demonstrated its capacity for developing and populating a hitherto savage region. The climate and productive characteristics of the country traversed by the unfinished portions of the line are not less promising than along the finished section. The agency of this line in developing those wonderful portions of our public domain we are but imperfectly able to estimate; the results of the construction of the Union Pacific line, however, give some very significant indications.

The Atlantic and Pacific Company proposes to occupy, by a line of railway and telegraph, the zone bordering the thirty-fifth parallel. This company was incorporated by act of Congress approved July 27, 1866, to construct a route from the western boundaries of Missouri and Arkansas, by way of Albuquerque, Agua Frio Pass, and the headwaters of the Colorado Chiquito, to the Pacific. This road was endowed with a lauded subsidy of forty odd-numbered sections per mile in the Territories and twenty sections per mile within the States. About two hundred miles of the line lies within the State of Texas, from which the company holds a grant of lands in aid of its construction. The eastern portion of the line, about one hundred miles from Springfield, Missouri, westward, has been placed under construction. To provide for expenses thus incurred the company has issued its first mortgage bonds, bearing six per cent. interest and payable in gold, to the amount of \$3,000,000. A consolidation has been effected with the Southwest Pacific Company of Missouri, which will make St. Louis the eastern terminus of the road.

The Memphis, El Paso, and Pacific Company, incorporated under the laws of Texas and endowed with the odd-numbered sections of public land belonging to that State lying within eight miles of its line, proposes a westward extension to San Diego, on the Pacific, through the southern parts of New Mexico, Arizona, and California, crossing the Colorado at its confluence with the Gila. This company owns the fran-

chise of the San Diego, Gila, and Southern Pacific Company of California, which it proposes to constitute the western section. About sixty-five miles of the eastern portion of the line are nearly finished, and the California section will soon be put under construction. Strong efforts are now being made to enlist European capital in this enterprise. The only franchise asked of the general government is the right of way through the public lands on its route. It thus appears that responsible parties, aided by landed subsidies, have undertaken the construction of railway and telegraph along the thirty-second and thirty-fifth parallels. The foregoing is a brief synopsis of the system of Pacific through lines, establishing a close and intimate connection between the different parts of our national territory, and thus securing to American civilization an essential unity of development. Cross lines from north to south, intersecting these great longitudinal thoroughfares, have already been provided, and will doubtless increase in numbers and extent as the wants of the country may demand.

The Union Pacific has constructed a branch from Frémont, Nebraska, to Sioux City, Iowa, as provided in the act of July 1, 1862, for which it receives the same landed and loan subsidy that was awarded to its main line. The amount of the government loan is \$1,628,320.

By act of July 13, 1866, twenty odd sections, or twelve thousand eight hundred acres, per mile were granted to the Placerville and Sacramento Valley Railroad of California. At the close of 1868 it had constructed twenty-six miles, from Folsom to Shingle Spring. By act of July 25, 1866, the same landed subsidy was granted to the California and Oregon railroad to aid in constructing a railroad and telegraph between the north line of the State and a point on the Central Pacific, to be selected by the company. The point since determined upon is Roseville, eighteen miles from Sacramento. By the same act a similar grant was made to a company to be incorporated by the Oregon legislature, for the continuation of this railroad to Portland, Oregon. Although no information of any definite operations under those acts has been received, yet the increasing demand for local connections on the Pacific Coast, and the well-known intelligence and energy of the railroad men of that section, are ample security against any failure of the enterprise.

From the Kansas Pacific road have been projected several very important cross lines and branches. By act of July 1, 1862, the Hannibal and St. Joseph railroad of Missouri was authorized, with the consent of the legislature of Kansas, to extend its line, westward *via* Atchison, to intersect the Kansas Pacific, receiving the same landed and loan subsidies that were awarded to the latter to the extent of one hundred miles. This length of route has been completed to Waterville, Kansas, and the company has solicited the extension of government aid to finish its line to a junction with the main one some two hundred and fifty miles to the westward. Government loan bonds to the amount of \$1,600,000 have been issued to this company.

From Junction City, on the Kansas Pacific road, the southern branch of the Union Pacific is constructing a line of railway and telegraph down the Neosho Valley to Fort Smith, in Arkansas, whence it will make close and important connections with the Gulf of Mexico and with the entire railroad system of the southern States. By the first of January next one hundred and six miles will be open for business. In its northern projection it will ascend the valley of the Republican Fork of the Kansas River, cross the Union Pacific road at Fort Kearney, and form a junction with the Northern Pacific at the headwaters of the *Yellowstone River*. This road, one of the most important of the north

and south lines of the United States, has a landed endowment of twenty sections, or twelve thousand eight hundred acres, per mile. Strong efforts are being made to enlist French capitalists in the construction of this road.

The Leavenworth, Lawrence, and Galveston railroad was, by act of March 3, 1863, endowed with a landed subsidy of twenty sections, or twelve thousand eight hundred acres, per mile. It passes the Osage River near Ohio City, and runs southward to meet the Houston and Texas Central at Preston or some other point on Red River. Two divisions, embracing about sixty miles from Lawrence, it is understood will be completed during the current year. The cars are now running about half that distance, to Ottawa. By act of July 25, 1866, a similar land grant was made to the State of Kansas, in behalf of the Kansas and Neosho Valley railroad, for the construction of a railroad and telegraph from the eastern terminus of the Kansas Pacific, southward through the eastern tier of counties in Kansas, to connect with a road under construction from Galveston, Texas, to Preston on Red River. No information has been received of any operations of construction under this grant.

By act of March 3, 1863, a similar concession was made to the State of Kansas in behalf of the Atchison, Topeka, and Santa Fé railroad. By act of July 23, 1866, the same aid was extended to the St. Joseph and Denver City Company to construct a road from Elwood, Kansas, opposite St. Joseph, Missouri, to a point on the Kansas Pacific not further west than the one hundredth meridian. Both the last-mentioned grants are to revert to the government if no part of the road shall have been constructed within ten years from the passage of the act. No advice has reached here of any construction operations under either of these grants. The Atlantic and Pacific railroad proposes to construct important branches to their main line from the point of its crossing the California State boundary to San Diego, and a point near the one hundredth parallel eastward to Fort Smith. A branch of this road is also contemplated from Albuquerque through Sonora to Guayamas, on the Gulf of California. The Memphis, El Paso, and Pacific railroad also proposes a branch line to Guayamas.

The foregoing facts indicate a rapid crystalization of the trans-Mississippi railway system. They mark the lines of development of our western civilization, for these enterprises are not the offspring of mere head-long speculation; they are the solid natural outgrowth of a healthy progress. In their preliminary surveys they have already shed a flood of light upon the industrial and commercial capacities of that *terra incognita*, the great interior of America, whose inhospitable deserts have shrunk before the advance of geographical discoveries, until it is doubtful whether there is any portion of our continent which will not finally, by perfected cultivation, be made capable of supporting a civilized population. The wealth of mineral and agricultural productions yet to be brought forth under improved processes of mining and culture, and under the genial influences of irrigation and of forest planting, will constitute the wonder of coming generations; to-day the public mind is too bewildered by the realities transpiring around us to calmly estimate the results of the future.

The railways of our trans-Mississippi regions already projected embrace an aggregate length of not less than 15,000 miles. Of these, not less than 3,500 miles will be in operation by the close of the present calendar year. According to Poor's Manual, the mileage of all the railroads of the United States, complete and in actual operation at the close of 1868, was 42,255. At the close of this year the aggregate will be nearly 48,000.

miles. The finished railroads of the world, according to Poor's estimate, embraced, at the close of 1868, an aggregate mileage of 109,177, costing \$10,829,751,982, or an average of \$99,191 per mile. Of the 45,655 assigned to North America, costing \$2,015,364,856, or \$45,655 per mile, the United States claims 42,255 miles, constructed at a cost of \$1,869,529,913, or \$44,255 per mile. In the whole world the length of completed railroad lines averages one mile to every 178 square miles of land surface and to every 5,353 inhabitants; in North America the average is one mile of railway to ninety-three square miles, and one thousand inhabitants; in the United States the average is one mile of railroad to seventy-one square miles and 876 inhabitants.

The continent of Europe reports 56,660 miles of railway, built at a cost of \$7,528,734,923, or \$132,876 per mile, being an average of one mile to sixty-four square miles of territory and 5,016 inhabitants.

Great Britain and Ireland have 14,247 miles, costing \$2,511,314,435, or \$176,299 per mile, averaging one mile of road to 8.60 square miles of territory and 2,056 inhabitants. We have already, in the United States, reached the average of Europe as to territory; the average of the United Kingdom would give us nearly 400,000 miles of railway, or eight times our present aggregate. If our population should preserve its present ratio to railway mileage, we would then have 350,000,000 of people, or nearly the population of China. It is remarkable, however, that this ratio with us has been rapidly diminishing: in 1840 it was as 6,057 to 1; in 1850, as 2,542 to 1; in 1860, as 1,026 to 1; in 1868, as 876 to 1. We thus see that, as wonderful as has been the increase of our population, our increase of facilities for transportation has been much more rapid. In the nature of things, however, this ratio must soon reach a minimum. Our population has shown a uniform increase of about thirty-five per cent. in each decade since 1790; and as there are indications rather of enhancement than of decline in this rate, it is almost a moral certainty that in 1900 we will have 107,000,000 of inhabitants. Darby estimates 115,000,000. Supposing that by that time the ratio of population to railway mileage shall have reached a minimum of 500 to 1, our aggregate length of lines will be 200,000 miles.

The average annual increase of railway lines in the United States from 1835 to 1868 was 11.07 per cent. This rate has been fluctuating, rising in 1838 to 26.93, and declining in 1861, the first year of our late civil war, to 2.03 per cent. During 1868 it was 7.1 per cent., and during the ensuing year it will be not less than 12 or 13 per cent. If the average annual increase subsides to five per cent., we will have in 1900, as noticed above, two hundred thousand miles of railroad, four times our present aggregate, and double the present aggregate of the entire world.

The tide of commercial movement that will soon course along these artificial channels presents some brilliant problems for progressive statisticians. A few facts will serve to show the amazing extent and the extreme difficulty of treating the data presented. The artificial highways in the State of New York in 1867 consisted of 1,027 miles of canal and 3,245 miles of railroad, total 4,272. The former carried during the year 5,688,325 tons of freight, of an aggregate value of \$278,956,712, averaging \$49.21 per ton; the latter carried 10,344,681 tons, valued at \$1,444,373,495, averaging \$139.63 per ton; the total traffic by rail and canal was 16,032,006 tons, worth \$1,723,329,207, or \$107.43 per ton. The canals carried 5,539 tons, worth \$272,753 per mile; the railroads carried 3,187 tons per mile, representing a value of \$115,000; both united carried 3,753 tons and an average of \$103,399 per mile.

The railroads of Pennsylvania, having less competition from canals

for gross freight, exceeded even the New York canals, transporting 35,383,370 tons, averaging 7,864 tons per mile. The railroads of Massachusetts, 1,425 miles long, transported 5,394,137 tons, or 3,785 tons per mile. The railroads of Ohio, with a length of 3,398 miles, transported 10,813,535 tons, or 3,182 tons per mile.

It is estimated that the railroads of the United States transported during the year 1868 100,000,000 tons, or over 2,000 tons per mile. In 1851 the entire railroad traffic of the country did not exceed 5,500,000 tons, or 503 per mile, the mileage reported for that year being 10,982; while the actual length of railway lines has increased in eighteen years nearly five fold, the tonnage per mile has quadrupled; that is, in 1868, with less than double the population of 1851, we require twenty times the amount of railway transportation.

The value of the freight transported in 1868 may be estimated from the returns of the New York railroads, collected with admirable precision under the provisions of State law. The canals to a great extent absorb the cheaper raw material, and consequently the railroad freights represent a higher value per ton (\$139 63) than would be safe to assign as the average of the whole country. Assuming, however, the average value of railroad freight all over the Union at \$120 per ton, and we obtain the startling aggregate of \$12,000,000,000 as the representative value of our railway traffic in 1868, about two-fifths of our entire personal and real estate at gold valuation, and nearly five times the amount of our national debt.

The agency of this enormous system of internal communication in creating value is illustrated by some very decisive facts cited in Poor's Manual. Prior to the opening of the Erie canal the transportation of a ton of corn from Buffalo to New York cost \$100, or four times the value of the freight, twice the value of the same quantity of wheat, and the full value of an equal quantity of beef or pork. The opening of the canal at once reduced the price of transportation to ten dollars per ton, and a further reduction was soon made to three dollars per ton. By this wondrous absorption of friction in the movement of commodities to market, a latent value of ninety-seven dollars per ton on all such merchandise was immediately developed, to be shared between the producer at one end of the line obtaining higher prices, and the consumer at the other end paying lower prices.

But canals were not practicable for highways of transportation across the more southern portions of the Alleghany Mountains, and railroads became a necessity. Though the expense of transport upon the latter has not yet, by any exertion of economic intelligence, been reduced to that of the former, an immense improvement was effected in the transportation even of the heavier staples of raw production, and untold values rescued from the destructive friction of transportation. The cost of transporting corn and wheat over ordinary highways was not less than twenty cents a ton per mile. At such rates corn will bear transportation only one hundred and twenty-five miles, and wheat two hundred and fifty, supposing the market value of the former to be seventy-five cents, and of the latter one dollar and a half. The cost of transportation by rail is one and a quarter cent per ton per mile, thus rescuing eighteen and three-quarter cents per ton per mile from the expense of transportation, and dividing it between the producer and the consumer. Corn may thus be made to bear a transport of sixteen hundred miles, and wheat of thirty-two hundred. In the aforesaid development of additional values, it is to be observed that only that portion which is seen in the increase of price obtained by the producer is appreciable in dol-

lars and cents; that immense value to community realized in the lessening of market price of raw and manufactured products is beyond all conjecture.

It is difficult to estimate the exact number of passengers carried on our roads. An average of twenty-five hundred a mile per annum, less than the average of the Ohio roads, and about one-half the average of New York roads in 1867, would give an aggregate of over one hundred millions during the year 1868. The gross earnings of all our roads for 1867 amounted to about four hundred millions of dollars, of which one hundred and twenty millions were from passengers, and two hundred and eighty millions from freight. The rapid increase of the latter is an encouraging indication, being in the ratio to passenger traffic as seven to three; on the English roads they are nearly equal.

English roads, from their elaborate construction, have considerable advantage over our roads in the expense of operation and maintenance. Their net profits amount to fifty per cent. on the gross receipts, whereas ours scarcely reach thirty per cent.; yet the dividends to stockholders in this country are more than three times as large as those of English roads. Our oldest lines, however, are by successive improvements approaching the highest standard of excellence in construction. The average cost of construction per mile of our roads is \$44,255, whereas that of the English roads is \$176,269, being the most costly roads in the world.

In the light of the foregoing facts we may expect in another decade that our railroad mileage will be seventy-five thousand, transporting two hundred and fifty million tons per annum, representing a value of thirty billions of dollars. In this swelling tide of prosperous movement the natural increase of revenues will absorb the last remnant of our public indebtedness, and enable us to dismantle our expensive framework of internal taxation for national purposes. At the close of this century, if our entire railway system should bear to our whole territory a ratio less than half of what now exists in Illinois, we will have a mileage of one hundred thousand, carrying a tonnage and value of freight of still greater proportions.

The beneficent agency of our public land system in bringing about these splendid results has already been mentioned. The total amount of landed subsidies to railroads and wagon roads up to date is 185,890,794 acres, or 290,454 square miles, equal to the combined area of Great Britain and France, and exceeding that of Spain, Italy, and Switzerland. In addition to these land grants, government loans of credit have been made to the extent of \$60,860,320, of which \$24,371,000 were issued to the Central Pacific; \$26,638,000 to the Union Pacific; \$6,303,000 to the Kansas Pacific; \$1,600,000 to the Central Branch of the Union Pacific, late Atchison and Pike's Peak railroad; \$1,628,320 to the Sioux City and Pacific; and \$320,000 to the Western Pacific.

In this connection it is respectfully submitted that the time for such extraordinary subventions has passed. The pressure of public necessity is ample reason for the assistance already bestowed, but the benefits realized have been accompanied by serious countervailing evils, among which the erection of enormous landed monopolies stands prominent. The necessity for railroad endowments by the government either in land or money no longer exists. The great object of Pacific railway extension, speedy communication across our entire continent, has been secured. The resources already developed by the completion of the initial enterprise, and others already undertaken, are ample to complete the work as rapidly as the best interests of civilization demand. It is *therefore respectfully recommended* that no further grants for internal

improvements in the public domain be made, unless in cases of local and peculiar character, and in that case, instead of patenting the lands to States or corporations, that there shall be guaranteed to the beneficiary the proceeds of the sales of such lands as the railway is constructed.

#### THE GULF STATES.

The States lying upon the Gulf of Mexico, and drained directly into it, including Florida, Alabama, Mississippi, Louisiana, and Texas, are usually designated as the Gulf States.

All of these, excepting the last, belong to what are usually called the public land States, the general government, on its jurisdiction attaching to the territory embraced in them, becoming the proprietor of the soil, and the grantor from which all private titles to lands have emanated.

The first four and the State of Arkansas are the only public land States in what properly constitutes the cotton-growing region.

As the last named is similar in climate and productions to the northern portions of Mississippi and Alabama, and along its southern border partakes of the character of Louisiana, it will be included under this head.

These five States, Florida, Alabama, Mississippi, Louisiana, and Arkansas, include 250,690 square miles, or 160,441,600 acres, constituting an area as large as France and England combined. Texas occupies the Gulf coast from the river Sabine to the Rio Grande, a distance of 400 miles; covers an area of 274,356 square miles, or 175,587,840 acres, possessing a larger territory than that embraced in the five States previously mentioned. The proprietorship of its soil has never been in the general government, but it belongs to the great galaxy of clustering States constituting our present Union, is classed as one of the Gulf States, and consequently falls within the scope of the present observations.

Adding its area to that of the other five, we obtain an expanse of 525,046 square miles, equal to 336,029,440 acres, a region embracing some of the most fertile and productive land to be found in either hemisphere, situated in a mild and healthful climate, circling half way round a vast inland sea, covering a surface nearly as large as the Mediterranean, and draining river basins three times as capacious as the latter and much more important in the abundance and variety of their products. The circumstances of fruitfulness of soil, salubrity of climate, and superiority of commercial facilities, have ever formed the basis of prosperity and power, and it is not difficult to perceive that in these respects the States fronting on the Gulf of Mexico possess advantages which, when fully developed, will have few parallels on the face of the globe.

Some idea may be formed of the future wealth and greatness they are destined to attain by considering that the united areas of France, Great Britain, Prussia, Bavaria, Belgium, and the Netherlands, embrace only 514,220 square miles, something more than ten thousand less than are included within the limits of the six States named.

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## OUR NATIONAL GROWTH—INFLUENCE, IN THAT RESPECT, OF THE PUBLIC-LAND SYSTEM.

North America, by its remarkable physical conformation and peculiar position in history, is wonderfully fitted for the development of commercial power. Here all the disintegrating influences of the Old World are happily unknown. The mountain and desert barriers of Asia, which broke infant society into divergent and hostile fragments, find no reproduction on this continent. Diversities of chorography, climate, soil, and productions, here fade into each other by imperceptible degrees, giving scope to homogeneous civilization founded upon universal comity. Imported differences of race subsist but for a single generation, while national boundaries, founded on no well-defined natural frontiers, are destined silently to pass away as the true idea of American society is developed. An "ocean-bound republic," a single flag waving from the Arctic Ocean to the Gulf of Mexico, has long been foreshadowed in the public mind. Without war, without any rupture of the public peace or violation of public faith, by the silent operation of physical and moral forces, all this will be accomplished. The perpetuation of our landed policy and its extension over the continent, as national jurisdiction enlarges, will establish a permanent democratic civilization, secured by diffusion of proprietary rights in the soil such as no democracy ever yet enjoyed. Such are the responsibilities resting upon the present generation of American people and statesmen. We hold in our hands the means of accomplishing all these results.

Our geographical position is right in the main axial line of the globe's grand commercial movement, soon to be developed throughout its entire extent. The comparative cheapness of ocean carriage has hitherto caused an enormous deflection in the track of commerce around the southern extremities of Africa and South America, but this has long been felt as an oppressive restriction, and the most strenuous efforts have been made to evade it. Both of the great continental masses, sometimes called the eastern and western hemispheres, contract in their central portions to narrow isthmus belts, seeming to invite human enterprise to a completion of oceanic inter-communication by excavating ship canals, thus saving thousands of miles of difficult and dangerous navigation.

On the eastern continent this idea is as old as civilization itself, and has, at least twice in the past ages, been realized in practice. The Isthmus of Suez, at a very early period in history, was traversed by a canal said to have been commenced by Pharaoh Necho and finished by the Persian King Darius. Having been permitted to fall into dilapidation, it was subsequently restored by Ptolemy Philadelphus to a condition of effectiveness, in which it continued at least till the age of Augustus, when it gave passage to large Roman fleets engaged in the India trade. Under the sway of Mohammedanism it was again permitted to perish, being almost obliterated by the destructive agencies of nature. Its outlines were, however, observed by the first Napoleon, in his Egyptian campaign, suggesting to his profound intellect its admirable strategic advantages as well as its commercial importance. One of the Napoleonic ideas left by the great conqueror to his successor, to France, and to the world, was the reopening of the Suez Canal, an enterprise that will probably be completed before this report shall have reached the public. This event will mark the removal of the great obstacle to *a continuous line of ocean navigation, traversing the eastern portion of*

the northern hemisphere. From seven thousand to ten thousand miles will henceforth be saved in transportation between Europe and southern Asia. A glance at any well-constructed mercatorial map will show advantages no less signal to our own trade with India.

The isthmus uniting the two great continents of the western hemisphere has also attracted attention as presenting a similar opportunity for shortening lines of communication between the Atlantic and Pacific, thus saving thousands of miles of navigation, including the stormy passage around Cape Horn. Engineering science has hitherto been unable to find a practicable line of *canal* construction across this isthmus which does not involve a greater expenditure of capital and labor than can be rallied to the enterprise. A railroad across the Isthmus of Panama has been in successful operation for many years, thus offering the next best substitute for the canal project. It might be supposed that a great line of world's traffic, consisting of cheap ocean navigation, connecting with this short link of land transportation, would be able to defy all rivalry of similar lines of combined ocean and land transportation further north. Yet we find a line of railway across nearly the broadest portion of North America, embracing over three thousand miles of expensive railway carriage, entering into a formidable and threatening competition with the southern route, a railway, too, which passes over a belt of country containing hundreds of millions of acres of the public lands destined at no distant future to be covered by actual settlements. The public press reports that the Pacific Mail Steamship Company, since the completion of our Pacific railway line, have reduced the number of their steamers connecting with the Panama railroad, and that a further reduction is expected.

The relative influence of railways in travel and transportation is increasing in defiance of doctrines that were thought to be well settled by experience. In spite of the comparative cheapness of water carriage by canals, the amount of cheaper raw material seeking railroad transit is annually increasing. For the movement of the lighter and more expensive articles of commerce, such as the teas and silks of China, which represent a vast amount of labor expended upon their gathering and fabrication, the cost of carriage, as heretofore reported, will bear but a small ratio to their market price, and will give to our long line of trans-continental railroad, with its rapidity of transit, an overwhelming advantage.

The tendency of normal civilization is to condense the value of articles of commerce by manufacturing raw material near the place of its production, thus lessening the friction of transportation. The western farmer finds it profitable to transmute his corn into hog's flesh, and that, in turn, into manufactured pork, before sending it to market. So it will be found an immense saving to society to consume the flour and pork in supporting skilled labor at home, and in sending the condensed product to market in the form of fine cloths and other high-priced commodities. The greater the number of chemical and mechanical changes that can be wrought upon raw material near the place of its production not only lowers the cost of transshipment, but also makes that cost to bear a depressed ratio to the value of the freight. The comparative cheapness of ocean transportation will then be partly neutralized by this condensation of commercial values. The rapidity of transit, as the system of modern commerce becomes more elaborate and settled, is an increasing element of power operating in favor of our trans-continental line, whose last link was forged in the completion of our Union and Central Pacific roads.

The growing power of railways over water carriage is illustrated in the case of Holland and Belgium. At the separation of these countries in 1830, the former possessed a much larger commerce and a greatly superior water communication by sea and canal transit. In 1835 the total exports and imports of Belgium were about \$50,000,000, while those of Holland were about double this aggregate. In 1833, however, the Belgian system of railways was inaugurated under the superintendence of the great English engineer, George Stephenson. The Dutch, meanwhile, relying upon their water communication, made no special effort to engage in railway enterprise till the remarkable strides of Belgian commerce awoke them to effort. The Dutch Rhenish railway, constructed to recover their former superiority, was not fully opened till 1856; but the palm of commercial superiority had passed to the younger rival. The imports and exports of Holland in 1862 were less than \$300,000,000; while those of Belgium approached \$400,000,000. The advance of modern civilization may be gauged from the extension of its railway lines. The same influences which extend the competitive power of railways in the narrower sphere of local traffic are now felt on a grander scale in our great trans-continental line.

Our long railroad, passing through the entire length of the country, will ultimately supersede the short isthmus line in the conveyance of passengers and merchandise across the western hemisphere. The counterbalancing advantage of the northern line, the abbreviation of ocean distance, has not been sufficiently appreciated. This reduction of distance may be seen by comparing the actual length of the fortieth parallel with that of the equator, or of the diagonal deflections that must of necessity be made in descending to a latitude even so high as that of Panama Isthmus. The swelling of the earth at the equator, and the consequent enormous enlargement of distances around it, are apt to be overlooked even by intelligent thinkers on these subjects.

A glance at the mercatorial map of the world will show a remarkably direct alignment for a continuous route of travel and traffic from the head of navigation on the Yang-tse-Kiang River, in China, passing through San Francisco, New York, and the entire length of the Mediterranean Sea to Port Said, the northern terminus of the Suez Canal. The impracticable continent of Asia here breaks the continuity of this line. The massive Himalayas preclude even railway passage upon any principles now known. The transit of the three southern peninsulas, Arabia, Hindoostan, and Farther India, would involve an annoying frequency of transshipment; hence the great line of the world's traffic will be compelled to drop down to the Indian Ocean, accepting cheaper ocean transport as the compensation for greater distance and slower time.

But that portion of the line traversing our own continent is capable of very great abbreviation. The line of the Union and Central Pacific roads, already finished, it should be remembered is a compromise line, in which important advantages inure to local interests. The Northern Pacific, crossing our interior mountain chains at much lower altitudes, with a more direct alignment, and passing over an immense zone of the public domain, claims to offer a land transit across the continent at least three hundred miles shorter than other routes, besides an ocean navigation from Seattle, its western terminus, to China and Japan, some five hundred miles shorter than from San Francisco to the same countries. This office is not prepared to verify the exact figures of these estimates, but it satisfactorily appears that they embody an important truth. *Other abbreviations of this land route may be effected by other railway*

enterprises as the necessities of trade and travel may demand. We have, then, partially developed the elements of a main line of traffic and travel girdling the earth near the fortieth parallel. Along this the mass of the trade of the northern hemisphere will ere long be made to pass. The commercial ascendancy of northern Europe is a thing of the past. It was suited to the imperfectly developed commercial and industrial aptitudes of the passing age; but world-wide civilization is now beginning to assume its rounded development. The barbarism of the Western Continent is now completely overshadowed, and the semi-barbarism of the Eastern Continent undermined, by progressive influences and ideas. The Yang-tse-Kiang is already vexed with the paddle of the steamer; foreign commerce is pushing its cargoes up that river eight hundred miles from Shanghai into the very heart of China. That great monarchy, hoary, superannuated, decrepit, must rely for the prolongation of its existence upon once despised "outside barbarians"—another "sick man" in the Old World. A Mohammedan insurrection has for years been disintegrating the four western provinces of China Proper, while the wandering Tartars in the dependencies of the empire are learning the weakness of the power which has for centuries enslaved them. The Semitic governments of Asia are breaking down through the infirmities of age and natural decay, and sinking before the onslaught of occidental commerce and conquest. We see, as the Commissioner has had occasion in another paper to remark, the fulfillment of that ancient prophecy, "God shall enlarge Japheth, and he shall dwell in the tents of Shem."

The social and political status of Asia has within the last century been subjected to influences which promise to result in a complete revolution. The first European adventurers that came in contact with the Chinese were not of a character to inspire very lofty ideas of western culture and civilization, nor to humble the lofty pride nurtured by four thousand years of imperial sway.

The yielding deportment of the English East India Company, submitting to every indignity for the sake of trade, confirmed the Celestials in their contempt of foreigners. This led to hostilities with England and France, whose naval and military operations, in the different wars from 1839 to 1860, demonstrated the superiority of western civilization. The ascendancy of Europeans in China is now an accomplished and irrevocable fact, accepted by public opinion. This popular impression is less the fruit of military success than of the quiet operation of commercial intercourse. The introduction of the improvements in navigation and internal communications by foreigners, and the increased value of business naturally resulting therefrom, have awakened new ideas and wants which can be met by no agency in the old system of society.

But the other nations of Asia are passing through the same series of organic changes. Semitic conservatism and exclusiveness are yielding to the molding influences of a universal civilization. Diversities of race and religion will soon cease to interpose barriers to the free intercourse of nations, and will soon fade away before the increasing power of commerce, the spread of intelligence, and the unification of faith. In the midst of these social changes, the activity of political movements is no less marked and effective. Europe has settled down upon a policy of systematic conquest in Asia, the operations of which are by no means suspended in the so-called intervals of peace: while the gates of Janus are shut the wiles of diplomacy and the ceaseless movements of trade are undermining the native potentates, and preparing the aggressive forces which, upon the first specious pretext, are to be hurled against them, resulting in the entire or partial conquest of their dominions.

On the north the semi-Asiatic empire of Russia has been for ages pushing its conquests eastward and southward, absorbing great continental areas, and welding the most diverse popular elements into a single political system. Her left flank, as remarked in a previous report, has been pushed across the Amoor, and now rests half-way down the sea of Japan, within eight hundred miles of Pekin, while her right has swept across nearly the whole of Turkistan, threatening the Anglo-Indian frontier. The drift of the controlling forces of Russian civilization is eastward to the Pacific. The exiles of Siberia, embracing the ardent, energetic, and irrepressible elements of the population, whose presence in the European provinces was deemed inconsistent with the peace of the Russian system, have, amid the bleak desolation of the northern slope of the continent, where serfdom has never planted its foot, built up a social system vigorous, compact, and energetic, ready to respond to the call of the free civilization which we are now planting across the Pacific. On the south, England has built up a splendid commercial and military empire, radiating her civilization downward from the seat of authority by means of internal improvements projected on a most comprehensive plan. While missionaries of a hundred Christian churches are engaged in remodeling the social and moral elements of the population, the industrial system of India has been remodeled and reduced to an entire dependence upon that of England. Very little effort is made to conceal the fact, as heretofore suggested, that a grand objective point of British policy is to transform Hindostan into a market for English manufactures, and a field for the production of raw material. An army of 150,000 men, 70,000 of whom are Europeans, are maintained out of the revenues of the Indian empire, which afford also large surplus for the home treasury. Over 5,000 miles of railway have been completed, giving to this imposing military force facilities for concentration upon given points that will triple or quadruple their efficiency. France has reopened a career of conquest and colonization in Farther India, and evidently looks to a large interest in the expected dismemberment of Central Asiatic empire.

During the past year no rupture of the public peace has been chronicled, but the forces of conflict are being silently mustered. In the mean time, however, this "eastern question" has broadened its issues to embrace interests unthought of in its earlier stages. A new empire of democracy has established itself on what was lately the abode of barbarism, the western coast of the North American Continent. This republic has a commanding position in the disposal of Asiatic nationalities which it is amply able to vindicate, by force if necessary, but which it proposes to secure by the peaceful influences of a higher civilization. We have no territorial ambition beyond our own continent to bring us in collision with the reigning powers of Asia; we recognize the full and perfect equality of nations, and the right of each to regulate its foreign policy and its domestic institutions. This character of our foreign policy has been uniformly maintained in our intercourse with the powers of the Old World.

As American resources upon the Pacific slope are developed our moral and physical influence in the Asiatic problem increases, while the rupture of the peace of the world for purposes of conquest and aggrandizement by the European powers involves wider interests and graver consequences. This significant fact has been already noticed by the governments of Eastern Asia, which are now learning to lean upon the moral support of this republic in the long contest for existence which they have maintained against European powers. China, disenchanted

of her illusions with regard to her superiority over other countries, has sought to secure her admission into the family of civilized nations, and thus escape absorption by European conquest, which has been the fate of so many Oriental states. Under American influences she consents that her hoary civilization should be reconstructed, and that those improvements in science and art which have enabled western nations to prevail against her, should be incorporated into her social system. Our aim will be to give her such moral and diplomatic support as will enable her to avoid the entangling complications which European diplomacy is weaving, and enable her to reach a higher social organization and a nobler individual manhood. The reward of our labors, in addition to the glory of justice and fair dealing, will be the opening of a more intimate and lucrative commercial intercourse than ever was awarded to any nation, while the industries of the republic and its domestic trade will receive accelerated development.

The agencies of American landed policy in securing these results have already been referred to, and are presented in detail in papers accompanying this report. We will never be able, perhaps, fully to appreciate our indebtedness in this respect to the illustrious statesmen in our national councils who originally devised this system, and those who at different times have enlarged its scope of beneficent influence. The public domain has reached in its enlargement an area equal to 2,867,185 square miles, or 1,834,998,400 acres. From this landed interest Congress has made princely endowments for educational purposes; common schools; agricultural and mechanic colleges and universities; for military bounties in the war of the Revolution, in the war of 1812 with Great Britain, of 1847 with Mexico, and Indian wars; in furtherance of internal improvements on a large scale, general and special; in aid of the reclamation of swamp and overflowed lands; for the construction of canals; for wagon roads; for seats of government and public buildings; for deaf and dumb asylums; for individual Indian reservations; for the confirmation of millions of acres in satisfaction of foreign titles; for the construction of railways from 1850 to 1867, including the transcontinental lines, this item alone reaching 182,108,581.40 acres.\* Then the government has watched over the advancing settlers, securing them in their homes, first upon lands surveyed, offered and unoffered, then giving legal inception to settlements before surveys, and expanding the principle along railway concessions.

The area of the United States, within the limits recognized and defined by the treaty of peace in 1783, embraces 824,248 square miles, or 327,518,720 acres. Of this surface there was claimed by different States, under colonial charters, yet which was ceded by them for the common benefit, a surface, designated as public lands, equal to 354,000 square miles, or 226,560,000 acres, which constituted the nucleus of the national proprietorship.

At the opening of the American Revolution we had within our limits, according to Seybert's Statistics, only two million three hundred and eighty-nine thousand three hundred persons of every description. Now we have a population of forty millions of inhabitants, with nearly two thousand millions of acres as national territory, with a geographical surface of the whole Union equal to nearly four millions of square miles, with the Atlantic and Pacific Oceans as frontiers, the former the highway to European commerce, the latter giving us a dominating position for the control of Asiatic trade, while we have as the boundary, in

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\* Exclusive of wagon roads, which, if added, will make a grand aggregate of 185,890,794.67 acres.

part the great northern lakes of the continent, and on the south the Gulf of Mexico. Gibbon, in surveying the extent of the Roman Empire at a period when it had reached the summit of its grandeur, after a career of conquest and civilization for a thousand years, estimated its surface at sixteen hundred thousand square miles, and as embracing a population of one hundred and twenty millions. The United States already occupy an area equal to nearly four million square miles, two and a half times greater than that ancient empire of civilization; and in thirty years, according to existing ratios, will have one hundred and seven millions of inhabitants, high authority having estimated that there will be one hundred and fifteen millions at the close of the present century.

The growth of our resources during the past year has been steady and cheering, as elsewhere shown in this report; the value of the freight transported on our railroads during the year 1868 was estimated at twelve billions of dollars. The aggregate earnings of our people, it is now ascertained, amount to ten billions of dollars, about ten per cent. of which, or one billion, are a surplus added to our capital. Last year the estimates were twenty-five per cent. lower, but a careful study of facts and statistics has convinced the Commissioner that those figures were inadequate to express the reality; adding twenty-five per cent. to the value of our railway traffic previously mentioned, and we will obtain an aggregate approximating our internal trade.\* It is also ascertained that the true gold value of the personal and real estate of this country is not less than thirty billions of dollars. These aggregates are destined to rapid expansion. The depression of general business, the natural reaction from the heavy strain of civil war, is now broken up, and the spirit of enterprise has been reawakened in all departments of industry and commerce. Manufacturing is now prosecuted on the field of original raw production, thus embodying in action the true social principle, and saving that immense loss which has been experienced in the past in supporting an intermediate unproductive class. The great principles on which our government rests are now firmly established and generally acknowledged, assimilating to the theory in the natural world of the planetary system, recognizing the general government as the sun of that system, and the States as political planets revolving around the common center, held in their orbits by primordial laws.

Under genial impulses our industrial and commercial machinery is again in operation, accumulating wealth and giving peace and plenty throughout the land, while our educational and moral influences are no less active in refining and elevating our progress, and in enabling us to realize the nobler ends of civilization.

Respectfully submitted.

JOS. S. WILSON,  
*Commissioner.*

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\* The statistics on which these estimates are based are treated of in the article on railroads and other papers in this report.

## REPORT OF THE COMMISSIONER OF PENSIONS.

DEPARTMENT OF THE INTERIOR,  
*Pension Office, Washington, D. C., October 19, 1869.*

SIR: I have the honor to submit the following report of the transactions of this bureau for the past fiscal year:

## ARMY PENSIONERS.

During the past fiscal year there were allowed 7,120 new claims for invalid pensions of soldiers, at an aggregate annual rate of \$468,144 40, and 2,908 claims for increased pensions of invalid soldiers, at an annual aggregate rate of \$164,798 20.

During the same period 15,695 original pensions to widows, orphans, and dependent relatives of soldiers were allowed at an aggregate annual rate of \$1,577,281 53, and 11,998 claims of the same class for increased pensions (2,727 of whom were originally on the rolls without increase) were also admitted at a total annual rate of \$784,549 70.

The total number of claims admitted, original and increase, during the year was 37,721, and the yearly amount of pension thus granted \$2,994,773 83.

On the 30th of June, 1869, there were on the rolls 81,579 invalid military pensioners, whose yearly pensions amounted to \$7,362,804 28, and 103,546 widows, orphans, and dependent relatives of soldiers, whose yearly pensions amounted to \$13,567,679 19; making the total aggregate of army pensioners 185,125, at a total annual rate of \$20,930,483 47.

The whole amount paid during the fiscal year to invalid military pensioners was \$9,383,714 48, and to widows, orphans, and dependent relatives \$18,609,153 56; a grand total of \$27,992,868 04.

## NAVY PENSIONERS.

During the same year there were allowed 172 new claims for invalid navy pensioners, at an annual rate of \$16,239, and 57 applications for increased pensions of the same class, at an annual aggregate of \$2,606 50; also 209 original applications of widows, orphans, and dependent relatives of those who died of wounds contracted in the navy, at an aggregate rate of \$27,510 per annum, and 101 pensions of the same class were increased at a total yearly rate of \$4,728.

The total number of navy pensioners added to the rolls during the year was 539, and the yearly amount of pension thus granted \$51,083 50.

On the 30th of June, 1869, the rolls of the navy pensioners bore the names of 5,280 invalids, at an annual aggregate of \$118,171 10, and 1,558 widows, orphans, and dependent relatives, at an aggregate annual rate of \$256,830.

The total number of navy pensioners on the rolls at the close of the fiscal year was 2,838, at an annual total aggregate of \$375,001 10.

The amount paid during the last fiscal year to navy invalids was \$125,640 51, and to widows, orphans, and dependent relatives of officers and seamen of the navy \$304,375 53; a total amount of \$430,016 04.

## NUMBER OF PENSIONERS ADDED TO THE ROLLS.

During the year there were added to the number of pensioners of all classes 23,196; there were dropped from various causes 4,876, leaving on the rolls, June 30, 1869, 187,963. The number of increases was 15,064.



## YEARLY AMOUNT ADDED TO THE ROLLS.

The yearly amount of pension added to the rolls was \$3,045,857 33, as follows: Army invalids, \$632,942 60; army widows, orphans, and dependent relatives, \$2,361,831 23; navy invalids, \$18,845 50; navy widows, orphans, and dependent relatives, \$32,238.

## TOTAL AMOUNT PAID FOR PENSIONS.

The total amount paid for pensions of all classes, including the expenses of disbursements, was \$28,422,884 08, a sum greater by \$4,411,902 09 than that paid the previous year, which augmentation during the current year will probably be increased to \$5,000,000.

## BALANCE OF FUNDS IN HANDS OF AGENTS.

The net balance of funds in the hands of agents for paying army pensions at the end of the fiscal year was \$1,300,239 35, and the net balance of funds in the hands of agents for paying navy pensions was \$235,302 94. (This amount was for payment of pensions due July 1, 1869.)

The total amount in the hands of agents for paying all classes of pensions was \$1,535,592 29.

## CONDITION OF THE NAVY FUND.

The condition of the navy pension fund for the present fiscal year may be inferred from the following: The amount paid for navy pensions, which are chargeable to said fund last year, was \$430,016 04; there will be added this year an additional charge imposed by law for "Navy hospital support" of \$63,100; making a total of \$493,116 04.

The interest on the principal of the navy fund is \$420,000 in currency, which will leave a probable excess over income of \$73,116 04.

## PENSIONS GRANTED PRIOR TO 1861.

The only revolutionary soldier who was on the pension rolls at date of last annual report of this office, Daniel F. Bakeman, pensioned by special act of Congress, died on the 5th of April, ultimo.

Nancy Serena, widow of Joseph Serena, of Pennsylvania, the only representative on the pension rolls of the widows of the revolutionary war, who was married prior to the close of the war, (1783,) drew her pension to March 4, 1869, at the Pittsburg agency.

Of the widows of the revolutionary war married after 1783, and before 1794, there are fifty-four surviving; of those married prior to 1800, and subsequent to 1794, thirty-eight; and of those married since 1800, seven hundred and ninety-five; making a total of eight hundred and eighty-seven revolutionary widows now upon the rolls, one less than the number returned last year.

Those who married prior to 1800, and to whom a stipend of \$100 additional was granted by the act of February 18, 1867, there are ninety-three, who reside as follows: In Maine, nine; New Hampshire, seven; Vermont, three; Massachusetts, six; Connecticut, five; New York, fifteen; New Jersey, two; Pennsylvania, six; Virginia, eight; West Virginia, two; Ohio, three; Michigan, one; Kentucky, nine; Tennessee, three; North Carolina, seven; Louisiana, one; District of Columbia, six.

Of widows and children of soldiers who served in the wars subsequent to the revolution, and prior to 1861, there are now 1,298 on the rolls, a decrease of only 5 since the last annual report.

## BOUNTY LAND.

In the bounty land division there were issued during the year ending September 30, 1869, 1,650 original land warrants for 260,040 acres, as follows: 1,579 for 160 acres, amounting to 252,640 acres; 45 for 120 acres, amounting to 5,240 acres; 24 for 80 acres, amounting to 1,920 acres; 2 for 40 acres, amounting to 80 acres; and 102 duplicate warrants as follows: 55 for 160 acres; 23 for 120 acres; 21 for 80 acres; and 3 for 40 acres.

Of original applications received there were 1,651, and of claims suspended there were 3,751.

## RECAPITULATION.

Annexed is a recapitulation of the number of claims received and the disposition thereof; the amount paid for pensions at the agencies; the number of pensioners on the rolls; the yearly amount of pension; and the total yearly amount on the rolls, for the year ending June 30, 1869.

The number of original claims admitted was as follows: Army invalids, 6,745; army widows, orphans, and dependent relatives, 14,564; navy invalids, 172; navy widows, orphans, and dependent relatives, 209; total 23,196.

The number of increase claims admitted was as follows: Army invalids, 2,908; army widows, orphans, and dependent relatives, 11,998; navy invalids, 57; navy widows, orphans, and dependent relatives, 101; total, 15,064.

The amount paid for pensions at the agencies was \$28,422,884 08, as follows: Army invalids, \$9,383,714 48; army widows, orphans, and dependent relatives, \$18,609,153 56; navy invalids, \$125,640 81; navy widows, orphans, and dependent relatives, \$304,375 53.

The number of pensioners on the rolls was 187,963, as follows: Army invalids, 31,579; army widows, orphans, and dependent relatives, 103,546; navy invalids, 1,280; navy widows, orphans, and dependent relatives, 1,558.

The yearly amount of pension on the rolls was \$21,305,484 57, as follows: Army invalids, \$7,362,804 28; army widows, orphans, and dependent relatives, \$13,567,679 19; navy invalids, \$118,171 10; navy widows, orphans, and dependent relatives, \$256,830.

## EXHIBIT OF BUSINESS DONE IN THE BUREAU.

There were received during the fiscal year ending June 30, 1869, applications for pensions, under the act of July 14, 1862, and those supplemental thereto as follows: Invalids, 22,720, of which 10,987 were original, and 11,733 for increase; of these, 20,598 were disposed of by the examiners, viz: 16,470 admitted, *i. e.*, 6,745 original, and 9,725 for increase; and 4,128 rejected; *i. e.*, 2,715 original, and 1,413 for increase. Widows and dependent relatives, 18,313, of which 14,564 were original, 2,107 for increase, and 1,642 for arrears; 23,115 were disposed of by the examiners as follows: 20,638 admitted, of which 15,994 were original, 2,721 for increase, and 1,923 for arrears; and 2,477 rejected, of which 1,756 were original, 324 for increase, and 397 for arrears.

Total number of claims received, 41,033; 37,108 admitted and 6,605 rejected by examiners, leaving 62,101 cases to be disposed of by them.

The average monthly receipts were 3,419 5-12, and the average monthly disposals, 3,642 3-4.

There were received 950 claims for pensions under acts prior to July

14, 1862, and under the 13th section of the act of July 27, 1868, of which 83 were original applications for pensions due soldiers who served in the war of 1812, Florida and Mexican wars; and 56 original and 811 for increase filed by their widows; of the claims filed by invalids there were 4 original and 74 for increase admitted, and 20 original rejected; of the claims filed by widows and dependent relatives, 3 original and 709 for increase were admitted, and 25 original and 1 for increase rejected. Number of the above-named claims disposed of, 738.

There were 10 claims received of widows of soldiers who served in the revolutionary war, and 299 were disposed of by the examiners; 4 original and 295 for increase being admitted.

#### EXAMINING SURGEONS.

The subjoined list comprises the names of the examining surgeons for this office, designated in accordance with the provisions of the eighth section of the act of July 14, 1862, and acting as such at this date:

#### PENSION NOTARIES.

Provision is made by the third section of the supplementary pension act of July 4, 1864, for the designation of officers before whom declarations may be made in localities more than twenty-five miles distant from any place at which a court of record is held. These officers, who are known as pension notaries, must have been previously qualified, under a State or other appointment, to administer oaths, and their authority to act under a designation from the Pension Office ceases with the expiration of the term of such previous appointment. The following list includes the names of those now qualified as pension notaries:

For a more detailed account of the transactions of this office, in the bureau, in the several States, and at the pension agencies, reference is made to the tabular statements appended to this report.

I have the honor to be, very respectfully, your obedient servant,

H. VAN AERNAM,  
*Commissioner.*

Hon. J. D. Cox,  
*Secretary of the Interior.*

*Statement of the number and yearly amount of army pensions on the rolls of the several States and Territories on the 30th day of June, 1869.*

State.	INVALIDS.		WIDOWS, CHILDREN, MOTHERS, SISTERS, &C.		Total.	
	No.	Yearly am't.	No.	Yearly am't.	No.	Yearly am't.
Arkansas .....	62	\$5,764 00	435	\$53,736 00	497	\$59,500 00
Connecticut .....	1,274	100,392 00	2,335	267,997 10	3,609	368,389 10
California .....	161	14,193 00	102	14,286 00	263	28,479 00
District of Columbia .....	1,194	145,480 00	1,221	153,954 31	2,415	299,434 31
Delaware .....	212	18,525 00	238	32,244 00	450	50,769 00
Indiana .....	5,444	479,478 76	7,813	1,079,001 14	13,257	1,558,479 90
Illinois .....	7,976	733,283 52	8,567	1,136,443 40	16,543	1,869,726 92
Iowa .....	2,602	237,789 00	3,704	510,986 00	6,306	748,775 00
Kentucky .....	1,321	108,247 52	3,302	435,572 34	4,623	543,819 86
Kansas .....	571	53,740 00	468	62,352 00	1,039	116,092 00
Louisiana .....	186	19,498 00	222	23,943 60	408	43,441 60
Maine .....	4,430	374,227 88	4,443	540,259 00	8,873	914,486 88
Massachusetts .....	5,047	458,344 44	6,369	745,835 18	12,016	1,204,179 62
Maryland .....	916	87,200 00	1,023	132,656 00	1,939	219,856 00
Missouri .....	1,866	176,365 00	3,210	535,640 00	5,076	712,005 00
Michigan .....	4,034	348,437 00	4,809	612,192 00	8,843	960,629 00
Minnesota .....	732	64,538 00	885	132,102 00	1,617	196,640 00
New Hampshire .....	2,163	177,864 92	2,284	277,254 00	4,447	455,118 92
New York .....	12,973	1,207,674 52	16,435	2,079,108 50	29,408	3,286,783 02
New Jersey .....	1,770	166,632 00	2,374	301,561 67	4,144	468,193 67
North Carolina .....	54	5,052 00	265	35,357 92	319	40,409 92
Nebraska .....	72	6,154 00	51	6,648 00	123	12,802 00
New Mexico .....	12	1,148 00	18	2,178 00	30	3,326 00
Ohio .....	8,328	773,874 08	10,137	1,343,418 08	18,525	2,117,292 16
Oregon .....	22	1,588 00	11	2,568 00	33	4,156 00
Pennsylvania .....	10,501	955,802 80	12,023	1,588,642 66	22,524	2,544,445 46
Rhode Island .....	460	40,966 92	736	92,092 09	1,196	133,058 01
Tennessee .....	652	57,715 50	2,384	319,446 67	3,036	377,162 17
Vermont .....	1,938	181,869 84	2,047	251,059 58	3,985	432,929 42
Virginia .....	116	13,284 66	221	24,771 52	337	38,056 18
West Virginia .....	1,184	100,793 92	1,815	250,115 33	2,999	351,909 25
Wisconsin .....	2,645	245,556 00	3,596	481,945 10	6,241	727,501 10
Washington Territory .....	11	1,324 00	3	312 00	14	1,636 00
Total .....	81,579	7,362,804 28	103,546	13,567,679 19	185,125	20,930,483 47

*Statement of the number and yearly amount of navy pensioners on the rolls of each State and Territory on the 30th day of June, 1869.*

State.	Agency.	INVALIDS.		WIDOWS, CHILDREN, MOTHERS, SISTERS, ETC.		Total.	
		No.	Yearly am't.	No.	Yearly am't.	No.	Yearly am't.
Connecticut .....	Hartford .....	6	\$360 00	24	\$4,620 00	32	\$5,040 00
California .....	San Francisco .....	6	532 00	5	960 00	11	1,492 00
District of Columbia .....	Washington .....	68	7,404 00	130	30,990 00	198	38,394 00
Illinois .....	Chicago .....	37	3,164 00	25	3,696 00	62	6,860 00
Kentucky .....	Louisville .....	9	777 00	9	1,506 00	18	2,283 00
Louisiana .....	New Orleans .....	10	1,119 00	10	2,029 00	20	3,147 00
Maine .....	Portland .....	59	5,714 00	64	8,628 00	123	14,342 00
Massachusetts .....	Boston .....	261	24,187 50	289	43,342 00	550	68,529 50
Maryland .....	Baltimore .....	52	4,789 50	64	12,216 00	116	17,005 50
Missouri .....	St. Louis .....	11	1,030 00	16	2,232 00	27	3,262 00
Michigan .....	Detroit .....	13	1,017 00	23	3,024 00	36	4,041 00
Minnesota .....	St. Paul .....	1	96 00	1	360 00	2	456 00
New Hampshire .....	Portsmouth .....	45	3,914 10	27	4,182 00	72	8,096 10
New York .....	Brooklyn .....	387	33,460 50	399	61,432 00	777	94,892 50
New Jersey .....	Trenton .....	15	6,152 00	29	5,544 00	44	11,696 00
Ohio .....	Cincinnati .....	43	3,826 53	76	11,436 00	119	15,262 53
Pennsylvania .....	Philadelphia .....	195	15,874 50	276	40,566 00	471	56,440 50
Rhode Island .....	Pittsburgh .....	13	1,056 00	25	4,044 00	38	5,100 00
Virginia .....	Providence .....	13	796 00	23	3,918 00	36	4,714 00
Wisconsin .....	Richmond .....	14	1,090 50	38	8,058 00	52	9,148 50
Naval Asylum .....	Milwaukee .....	8	900 00	14	1,968 00	22	2,868 00
	Philadelphia .....	12	921 00			12	921 00
Total .....		1,280	118,171 10	1,558	256,830 00	2,838	375,001 10

*Abstract of the reports of examiners under the act of July 14, 1862, and supplemental ones, on the army branch of pensioners, during the fiscal year ending June 30, 1869.*

	INVALIDS.												
	Receipts.			Disposals.						Total disposals. Number.			
				Admitted.			Rejected.						
	Original.	Increase.	Total.	Original.	Increase.	Total.	Original.	Increase.	Total.				
1868.													
July.....	493	211	704	542	180	722	159	145	304	1,026			
August.....	578	137	715	445	226	671	107	76	183	834			
September.....	687	868	1,555	360	263	623	112	94	206	829			
October.....	651	2,015	2,666	459	1,183	1,642	173	145	318	1,960			
November.....	649	1,262	1,911	411	1,539	1,950	179	191	370	2,320			
December.....	834	1,268	2,102	609	1,381	1,990	209	202	411	2,401			
1869.													
January.....	1,090	1,078	2,168	624	1,246	1,870	163	213	376	2,246			
February.....	1,017	695	1,712	683	867	1,550	201	214	415	1,965			
March.....	1,299	1,241	2,540	620	817	1,437	178	184	362	1,799			
April.....	1,325	1,011	2,336	638	807	1,445	227	191	418	1,863			
May.....	1,165	1,220	2,385	729	635	1,364	325	158	483	1,847			
June.....	1,199	727	1,926	625	581	1,206	142	140	282	1,488			
Total.....	10,987	11,733	22,720	6,745	9,725	16,470	2,175	1,953	4,128	20,598			
WIDOWS AND DEPENDENT RELATIVES.													
	Receipts.				Disposals.								Total disposals. Number.
					Admitted.				Rejected.				
	Original.	Increase.	Arrears.	Total.	Original.	Increase.	Arrears.	Total.	Original.	Increase.	Arrears.	Total.	
	1868.												
July.....	995	114	.....	1,109	1,208	349	.....	1,557	136	50	.....	186	1,743
August.....	1,170	97	.....	1,267	1,279	357	.....	1,636	152	31	.....	183	1,819
September.....	1,294	213	.....	1,507	1,466	270	.....	1,736	143	27	.....	170	1,906
October.....	1,290	594	.....	1,884	1,315	258	.....	1,593	134	33	.....	167	1,760
November.....	1,185	164	218	1,567	1,065	258	433	1,756	137	25	90	252	2,008
December.....	1,321	106	384	1,811	1,094	144	380	1,618	152	14	73	239	1,857
1869.													
January.....	1,365	124	209	1,698	1,416	207	271	1,894	137	20	34	191	2,085
February.....	1,245	85	159	1,489	1,364	177	212	1,753	194	29	30	253	2,006
March.....	1,268	115	170	1,553	1,512	205	230	1,947	146	18	42	206	2,153
April.....	1,108	121	142	1,371	1,578	179	145	1,902	152	38	23	213	2,115
May.....	1,131	84	204	1,419	1,348	166	184	1,698	116	16	81	213	1,911
June.....	1,192	290	156	1,638	1,329	151	68	1,548	157	23	24	204	1,752
Total.....	14,564	2,107	1,642	18,313	15,994	2,721	1,923	20,638	1,756	324	397	2,477	23,115

Total number of claims received.....	41,033
Excess over previous year, (not attainable.)	
Total number of claims admitted.....	37,168
Excess over previous year.....	8,541
Total number of claims rejected.....	6,605
Excess of disposals over receipts.....	2,680
Total number of cases on desks June 30, 1869.....	62,101
Average monthly receipts.....	3,419 5-12
Average monthly disposals.....	3,642 3-4

## REPORT OF THE COMMISSIONER OF INDIAN AFFAIRS.

DEPARTMENT OF THE INTERIOR,  
OFFICE OF INDIAN AFFAIRS,  
*Washington City, D. C., December 23, 1869.*

SIR: As required by law, I have the honor to submit this, my first annual report of our Indian affairs and relations during the past year, with accompanying documents.

Among the reports of the superintendents and agents herewith, there will be found information, with views and suggestions of much practical value, which should command the earnest attention of our legislators, and all others who are concerned for the future welfare and destiny of the remaining original inhabitants of our country. The question is still one of deepest interest, "What shall be done for the amelioration and civilization of the race?" For a long period in the past, great and commendable efforts were made by the government and the philanthropist, and large sums of money expended to accomplish these desirable ends, but the success never was commensurate with the means employed. Of late years a change of policy was seen to be required, as the cause of failure, the difficulties to be encountered, and the best means of overcoming them, became better understood. The measures to which we are indebted for an improved condition of affairs are, the concentration of the Indians upon suitable reservations, and the supplying them with means for engaging in agricultural and mechanical pursuits, and for their education and moral training. As a result, the clouds of ignorance and superstition in which many of this people were so long enveloped have disappeared, and the light of a Christian civilization seems to have dawned upon their moral darkness, and opened up a brighter future. Much, however, remains to be done for the multitude yet in their savage state, and I can but earnestly invite the serious consideration of those whose duty it is to legislate in their behalf, to the justice and importance of promptly fulfilling all treaty obligations, and the wisdom of placing at the disposal of the department adequate funds for the purpose, and investing it with powers to adopt the requisite measures for the settlement of all the tribes, when practicable, upon tracts of land to be set apart for their use and occupancy. I recommend that in addition to reservations already established, there be others provided for the wild and roving tribes in New Mexico, Arizona, and Nevada; also, for those more peaceable bands in the southern part of California. These tribes, excepting the Navajoes in the Territory of New Mexico, who, under their treaty of 1868, have a home in the western part of the Territory to which they have been removed, have no treaty relations with the government, and if placed upon reservations it will be necessary that Congress, by appropriate legislation, provide for their wants, until they become capable of taking care of themselves. In the other Territories, as also in Oregon and the northern part of California, the existing reservations are sufficient to accommodate all the Indians within their bounds; indeed, the number might with advantage be reduced; but in Montana there is urgent need for the setting apart, permanently, suitable tracts for the Blackfeet, and other tribes, who claim large portions of that Territory and are parties to treaties entered into with them last year by Commissioner W. J. Cullen, which were submitted to the United States Senate, but have not been finally acted upon by that body. Should the treaties be ratified the required reservations will be secured greatly to the benefit of both Indians and citizens.

Before entering upon a *résumé* of the affairs of the respective superintendencies and agencies for the past year, I will here briefly notice several matters of interest which, in their bearing upon the management of our Indian relations, are likely to work out, judging from what has been the effect so far, the most beneficial results.

Under an act of Congress approved April 10, 1868, two millions of dollars were appropriated to enable the President to maintain peace among and with various tribes, bands, and parties of Indians; to promote their civilization; bring them, when practicable, upon reservations, and to relieve their necessities, and encourage their efforts at self support. The Executive is also authorized to organize a board of commissioners, to consist of not more than ten persons, selected from among men eminent for their intelligence and philanthropy, to serve without pecuniary compensation, and who, under his direction, shall exercise joint control with the Secretary of the Interior over the disbursement of this large fund. The commission selected in accordance with this provision of the law, composed of the following gentlemen, George H. Stuart, William Welsh, W. E. Dodge, E. S. Toley, John B. Farwell, Robert Campbell, Felix R. Brunot, Henry S. Lane, and Nathan Bishop, met in this city in May last, and after deliberating upon the points suggested for their consideration, as embraced in my letter to them, dated the 26th of May, (a copy of which is among the papers accompanying this report, marked A, as is also a copy of the Executive order of June 3 in the matter, marked B,) involving the legal status of the Indians, their rights, and the obligations of the government toward them; the propriety of any further treaties being made; the expediency of a change in the mode of annuity payments, and other points of special interest, they decided as preliminary to future operations, and for the more convenient and speedy discharge of their duties, upon dividing the territory inhabited by Indians into three sections, and appointed subcommittees out of their number to visit each, and examine into the affairs of the tribes therein, and to report at a meeting to be held in Washington prior to the coming session of Congress. Therewith submit marked C; the report of the commission, recently received, with reports from the subcommittee, F. R. Brunot, esq., chairman; also from Vincent Colyer, esq., and John V. Farwell, esq., members of the commission, relating to the condition of affairs among the tribes of New Mexico, Arizona, Utah, some of the tribes in Kansas, those in the Indian country south of Kansas, and those in Alaska Territory, and communicating interesting facts in their history, as also submitting suggestions for their welfare and improvement, deemed to be of great importance, and which should receive careful consideration.

In regard to the fund of two million dollars referred to, it may be remarked that it has enabled the department to a great extent to carry out the purposes for which it was appropriated. There can be no question but that mischief has been prevented, and suffering either relieved or warded off from numbers who otherwise, by force of circumstances, would have been led into difficulties and extreme want. By the timely supplies of subsistence and clothing furnished, and the adoption of measures intended for their benefit, the tribes from whom the greatest trouble was apprehended have been kept comparatively quiet, and some advance, it is to be hoped, made in the direction of their permanent settlement in the localities assigned to them, and their entering upon a new course of life. The subsistence they receive is furnished through the agency of the commissary or purveyor of the army, with, it is believed, greater economy and more satisfaction than could have resulted had the

mode heretofore observed been followed. In this connection I desire to call attention to the fact that the number of wild Indians and others, also not provided for by treaty stipulations, whose precarious condition requires that something should be done for their relief, and who are thrown under the immediate charge of the department, is increasing. It is, therefore, a matter of serious consideration and urgent necessity that means be afforded to properly care for them. For this purpose, in my judgment, there should be annually appropriated by Congress a large contingent fund, similar to that in question, and subject to the same control. I accordingly recommend that the subject be brought to the attention of Congress.

With a view to more efficiency in the management of affairs of the respective superintendencies and agencies, the Executive has inaugurated a change of policy whereby a different class of men from those heretofore selected have been appointed to duty as superintendents and agents. There was doubtless just ground for it, as great and frequent complaints have been made for years past, of either the dishonesty or inefficiency of many of these officers. Members of the Society of Friends, recommended by the society, now hold these positions in the Northern Superintendency, embracing all Indians in Nebraska; and in the Central, embracing tribes residing in Kansas, together with the Kiowas, Comanches, and other tribes in the Indian country. The other superintendencies and agencies, excepting that of Oregon and two agencies there, are filled by army officers detailed for such duty. The experiment has not been sufficiently tested to enable me to say definitely that it is a success, for but a short time has elapsed since these Friends and officers entered upon duty; but so far as I can learn the plan works advantageously, and will probably prove a positive benefit to the service, and the indications are that the interests of the government and the Indians will be subserved by an honest and faithful discharge of duty, fully answering the expectations entertained by those who regard the measure as wise and proper.

I am pleased to have it to remark that there is now a perfect understanding between the officers of this department and those of the military, with respect to their relative duties and responsibilities in reference to Indian affairs. In this matter, with the approbation of the President and yourself, a circular letter was addressed by this office in June last to all superintendents and agents defining the policy of the government in its treatment of the Indians, as comprehended in these general terms, viz: that they should be secured their legal rights; located, when practicable, upon reservations; assisted in agricultural pursuits and the arts of civilized life; and that Indians who should fail or refuse to come in and locate in permanent abodes provided for them, would be subject wholly to the control and supervision of military authorities, to be treated as friendly or hostile as circumstances might justify. The War Department concurring, issued orders upon the subject for the information and guidance of the proper military officers, and the result has been harmony of action between the two departments, no conflict of opinion having arisen as to the duty, power and responsibility of either.

Arrangements now, as heretofore, will doubtless be required with tribes desiring to be settled upon reservations for the relinquishment of their rights to the lands claimed by them and for assistance in sustaining themselves in a new position, but I am of the opinion that *they should not be of a treaty nature*. It has become a matter of serious import whether the treaty system in use ought longer to be continued. In



my judgment it should not. A treaty involves the idea of a compact between two or more sovereign powers, each possessing sufficient authority and force to compel a compliance with the obligations incurred. The Indian tribes of the United States are not sovereign nations, capable of making treaties, as none of them have an organized government of such inherent strength as would secure a faithful obedience of its people in the observance of compacts of this character. They are held to be the wards of the government, and the only title the law concedes to them to the lands they occupy or claim is a mere possessory one. But, because treaties have been made with them, generally for the extinguishment of their supposed absolute title to land inhabited by them, or over which they roam, they have become falsely impressed with the notion of national independence. It is time that this idea should be dispelled, and the government cease the cruel farce of thus dealing with its helpless and ignorant wards. Many good men, looking at this matter only from a Christian point of view, will perhaps say that the poor Indian has been greatly wronged and ill treated; that this whole country was once his, of which he has been despoiled, and that he has been driven from place to place until he has hardly left to him a spot where to lay his head. This indeed may be philanthropic and humane, but the stern letter of the law admits of no such conclusion, and great injury has been done by the government in deluding this people into the belief of their being independent sovereignties, while they were at the same time recognized only as its dependents and wards. As civilization advances and their possessions of land are required for settlement, such legislation should be granted to them as a wise, liberal, and just government ought to extend to subjects holding their dependent relation. In regard to treaties now in force, justice and humanity require that they be promptly and faithfully executed, so that the Indians may not have cause of complaint, or reason to violate their obligations by acts of violence and robbery.

While it may not be expedient to negotiate treaties with any of the tribes hereafter, it is no doubt just that those made within the past year, and now pending before the United States Senate, should be definitely acted upon. Some of the parties are anxiously waiting for the fulfillment of the stipulations of these compacts and manifest dissatisfaction at the delay. Their ratification has been recommended heretofore by the Indian Bureau, and as nothing has since occurred to change the opinion then entertained in regard to them, excepting, perhaps, that with the Osages, concluded May 27, 1868, and the one made with the Sacs and Foxes of Missouri, connected with the Iowas, February 11, 1869, for reasons hereafter noticed, that recommendation is now renewed. The treaties referred to are: That with the Cherokees, concluded July 9, 1868, providing for the settlement of all their claims and demands against the United States; of the vexed question as to the disposition of their neutral lands; their right to other lands; the removal of ambiguities in the treaty with them of 1866; the settlement of questions between the courts of the nation and the United States in reference to jurisdiction over Cherokee citizens, and for the abolishment of distinctions among the people; that with the small bands of Chippewas and Christian Indians or Munsees, entered into June 1, 1868, to enable them to dissolve their tribal relations, and join other tribes; that with the Creeks of September 2, 1868, supplemental to their treaty made in 1866, the chief ground of which, set forth in the preamble thereto, being the injustice done in the latter treaty in requiring on their part an absolute and unconditional surrender of one-half of the nation's domain, because of a

liability of a forfeiture of their rights in consequence of the nation having made a treaty with the so-called Confederate States, no such requirement having been imposed upon the Cherokees and other tribes in the treaties concluded with them in 1866, who had also entered into treaty arrangements with the authorities of the rebel States; those with the Blackfeet nation of September 1, 1868; Shoshones, Bannacks, and Sheep Eaters, of September 24, 1868; Gros Ventres, of July 13, 1868, and River Crows, July 15, 1868, which provide for a cession of lands claimed by these several tribes in the Territory of Montana, and for their being located and sustained upon suitable reservations in that Territory; that with the Senecas and other Indians in the State of New York, of December 4, 1868, by which they agree to relinquish all their right to lands in Kansas, and all claims under their treaties of 1838 and 1842; it provides for the issuing of patents to whites occupying the lands in Kansas allotted to the New York Indians who removed there, and for paying the losses of said Indians by reason of having been driven from their homes; that with the Sacs and Foxes of Missouri and Iowas residing in Nebraska, made February 11, 1869, and that with the Ottoes and Missourias in the same State, of February 13, 1869, both of which stipulated for a sale of their lands, giving the St. Louis and Nebraska Trunk Railway Company the privilege of purchasing the same at \$1 25 per acre, and providing a new home for them in the Indian territory, south of Kansas; that with the Kaws or Kansas tribe, of March 13, 1869, providing for the sale of their lands to the Union Pacific Railway Company, and for the removal of the tribe to the Indian territory; and lastly, that of the Miamies in Kansas and Indiana, concluded March 9, 1869, for the adjustment of all claims against the United States and the settlement of all controversies between themselves.

In regard to the treaty with the Osages of May 27, 1868, against which serious objections have been made, I suggest that it either be modified, or another arrangement entered into with the tribe with a view to the purchase of their lands and their removal to the Indian territory. Desiring to ascertain the mind of the Osages in regard to this treaty, I instructed the superintendent of Indian affairs, Mr. Hoag, to visit them and hold a council upon the subject. A report of his interview with them has recently been received, and will be found among the papers herewith, numbered 122. It seems that the Indians are not dissatisfied with the treaty so much on the ground of there having been any undue influence brought to bear upon them by the commissioners who negotiated it, as that they believe the price stipulated to be paid for the land is not enough. Whether it is ratified or not, they wish to sell their lands and remove, for settlers now occupy them, taking even possession of the corn-fields of the Indians, cutting off the timber and otherwise infringing upon their rights. I trust that Congress will early legislate in this matter, that trouble and suffering may be prevented.

Hostilities to some extent, though not to that of war by tribes, have unfortunately existed more or less during the past year. In May and June last some of the Cheyennes and Arapahoes attacked citizens of Kansas settled upon the Republican, Smoky Hill, and Saline Rivers, killing a number of men, women, and children, capturing others, and destroying or carrying off considerable property. The love of plunder and the spirit of revenge seem not to have been subdued in many of the Indians of these tribes by the chastisement they received heretofore, nor by the magnanimity of the government in promising to provide for and treat them as friendly if they would go upon their reservations. Active and severe measures by the military against them have resulted

in the destruction of many, and compelled others either to surrender or come in and ask to be located upon a reservation with those of their people who are peaceably disposed. The discontented of the various bands of Sioux have also shown a determined spirit of antagonism to the government, in acts of occasional murder and depredations in Dakota and Wyoming Territories, but the main body of the Sioux who, under General Harney, were located on the great reservation provided for them by treaty stipulations, are comparatively quiet, and it is thought can be kept so, as well as induced to change their mode of life. In Montana a part of the Piegans have been on the war path, and apprehensions have been entertained of serious troubles; murders of citizens have been committed by other Indians, and citizens have retaliated, but the danger of a serious outbreak, it is believed, is past. With the wild and intractable Apaches, in Arizona, there seems to be a continual state of warfare and outrage which the military arm in use there is unable to wholly suppress, and this will be the case always, until these Indians can be induced to leave their almost inaccessible retreats and settle upon a reservation. Members of the Kiowas and Comanches have been renewing their attacks upon citizens of Texas and their property, but no extensive raiding by the tribes, as in former years, has occurred during the past year, nor have other tribes had as much cause for complaint against these bands as heretofore. The Apaches and Navajoes have also been charged with outrages against citizens of New Mexico, and so troublesome have they been that the governor of the Territory deemed it his duty to issue a proclamation declaring the Navajoes outlaws, and authorizing the people to defend their persons and property against their attacks.

Attention is again called to the importance of something being done to put a stop to the raiding into Texas by Kickapoo and other Indians residing in the republic of Mexico, not far from the Rio Grande, as serious difficulties may arise with that nation, should the citizens of Texas, suffering beyond further endurance at the hands of these marauders, undertake to redress their grievances by invading the territory of that republic in pursuit of the offenders. Although the Kickapoos may be regarded as having forfeited their claim to the protection of the United States, and their rights to the home they abandoned in the Indian country, yet, in view of their desire to return, as well as for the welfare of the people on the border of Texas, it is thought that steps should be taken as early as practicable to have them brought back and placed somewhere in the Indian territory. For this purpose Congress was asked last year to legislate and provide the necessary means.

By the treaties of 1866 with the Cherokees, Choctaws, Chickasaws, Creeks, and Seminoles, it is agreed on their part, if Congress shall so provide, that there shall be organized a general council in the Indian territory, to be composed of delegates from the various tribes, and convened annually, with power to legislate upon all subjects pertaining to the intercourse and relations of the Indians resident in the Indian territory, and in regard to the matter of the arrest and extradition of criminals escaping from one tribe to another; the administration of justice between members of the tribe and persons other than Indians, and members of said tribes or nations; the construction of works of internal improvement, and, the common defense and safety of the tribes. Nothing has been done in that matter, further than to cause to be taken a census, required by the treaties, of the members of each tribe as a basis of representation, because of the want of the necessary means and appropriate legislation by Congress. There is an earnest desire expressed by these

Indians for an early organization of such a council, and that the time of the sessions be extended from thirty to sixty days. I recommend that the subject be brought before Congress as one of great importance, and requiring prompt action by that body. The accomplishment of this much-desired object will give the Indians a feeling of security in the permanent possession of their homes, and tend greatly to advance them in all the respects that constitute the character of an enlightened and civilized people. The next progressive step would be a territorial form of government, followed by their admission into the Union as a State.

Attention is invited to the condition of the freedmen among the Choctaws and some of the other tribes in the Indian territory, whose status as slaves became changed by the results of the late war, and who now appeal to the government for kind treatment and protection. Denied the rights and privileges of the members of the tribes with whom they reside, oppressed and persecuted, this people have claims which should not in justice be longer disregarded. They prefer to remain with those among whom they were raised, but fear losing the protection of the laws of the United States. With the Seminoles they seem to find the most favor, as that tribe has accorded to them unconditional citizenship. The Choctaws and Chickasaws, at first opposed to the measure, appear to have relented somewhat, and now wait to see what the government will do. Arrangements, it is suggested, ought to be made for their colonization in some suitable place, or else a supplemental treaty concluded for establishing them in these nations with a pro rata distribution of their funds and lands.

The settlers to whom lands were awarded under the 17th article of the Cherokee treaty of July 19, 1869, having been recently notified to make payment of the appraised value of the lands awarded, remittances are now rapidly coming in. These lands are known as the "Cherokee Neutral Lands" in Kansas, embracing an area of 799,614.72 acres, the white settlers being in possession of 153,343.10 acres under the article referred to, and the Indian settlers 6,071.93 acres awarded to them under the provision of the 17th article of the treaty. The remaining 640,199.69 acres as stipulated in the treaty were sold by Mr. Browning, Secretary of the Interior, to James F. Joy, of Detroit, Michigan, at \$1 per acre. A portion has been paid for by this purchase, and for which patents have issued.

With regard to the tribes who have long been on reservations, the reports of the superintendents and agents show that for most of them the prospect is brighter for future advancement and prosperity than it has been for several years past. Recovering from the ravages of war and the blighting effects of rebellion, and accepting their situation, those who suffered most are now making commendable progress in industry, education, and a practical knowledge of the pursuits of civilized life. I proceed now to a more particular but brief notice of the several superintendencies and agencies under the jurisdiction of this bureau.

\* \* \* \* \*

Accompanying this report I also transmit statistical tables, showing the population of the various tribes, and in part, or rather incompletely, from either full returns not having been received, or a failure of the agents to furnish an accurate statement in all respects, of their farm products, horses, cattle, and other property owned, and number of schools and scholars. It will be observed that the entire Indian population, exclusive of that in Alaska, is 289,778, as against 298,528 reported last year. The difference is not so much accounted for by a decrease, as by the varying of the estimates from year to year by different agents with

respect to certain wild and roving tribes, whose numbers cannot be ascertained with correctness. There has been probably a small decrease, but it will be safe to say that the whole number does not fall much below 300,000. Statements are also herewith, exhibiting the condition of the Indian trust funds, trust lands, and the liabilities of the United States under treaty stipulations.

I deem it my duty in closing this report to invite attention to the insufficiency, or the want of means to enforce them, of existing laws to remedy evils which are common throughout the entire Indian service. Acts of a criminal character are often committed in the vicinity of Indian agencies, or upon the Indian reservations, by both whites and Indians, no notice of which is taken, for want of adequate power at hand, and frequently when authority is asked from Washington to arrest the offenders, they in the meanwhile escape, so that the effect prompt action would have had is entirely lost, and crimes go unpunished to be renewed again with impunity. To make the uncivilized Indian to respect law and observe his treaty obligations, the power to punish must be present, and the penalty of violated law promptly enforced. The same may be said also of the whites, who would not so readily commit wrongs against the Indians if they knew that punishment would follow close upon the commission of the crime. To the end therefore that it may be made apparent to the Indians, as well as to the whites in any way connected or dealing with them, that the government intends to execute the laws applicable to such cases, and the treaties, it is respectfully recommended that Congress be asked to pass a statute requiring the military to station at the agencies, whenever requested by the proper authority, a sufficient number of troops to assist the agent in charge to make prompt arrests of all persons offending, that they may be handed over to the civil authorities for trial.

Very respectfully, your obedient servant,

E. S. PARKER,  
*Commissioner.*

Hon. J. D. Cox,  
*Secretary of the Interior.*

## REPORT OF THE COLUMBIA INSTITUTE FOR THE DEAF AND DUMB.

COLUMBIA INSTITUTION FOR THE  
INSTRUCTION OF THE DEAF AND DUMB,  
*Washington, October 20, 1869.*

SIR: In compliance with the acts of Congress making provision for the support of this institution, we have the honor to report its progress during the year ending June 30, 1869:

### NUMBER OF PUPILS.

The pupils remaining in the institution on the 1st day of July, 1868,	
numbered.....	99
Admitted during the year.....	13
Since admitted.....	7
Under instruction since July 1, 1868.....	119

One has been expelled, and thirty-six have left, the number now under instruction being eighty-two. Of these, fifty-five are beneficiaries of the United States, sixteen are supported by the State of Maryland, three by the city of Baltimore, and eight by their friends.

#### THE HEALTH OF THE INSTITUTION.

No prevailing sickness has visited the institution since the date of our last report; no alarming cases of illness have occurred; death has not visited our household; and, with unimportant exceptions, uniform health has reigned throughout the establishment.

For this, as for all the rich blessings with which the year has been crowned, we desire to record our gratitude to that Power "in whom we live, and move, and have our being."

#### CHANGES IN CORPS OF OFFICERS.

Rev. Lewellyn Pratt, who, for four years, has occupied the chair of Natural Science in the college, has resigned his position, and accepted a professorship in Knox College, and the acting pastorate of the Presbyterian Church in Galesburg, Illinois.

The retirement of Professor Pratt from our faculty is most deeply regretted by all connected with the college. His experience in the profession of deaf-mute instruction, his high, scholarly attainments, his marked success in his department, made him most valuable as an instructor; his calm judgment and discretion, coupled with a deep insight into character, gave his opinions in council great weight; while his amiability of temper and unvarying kindness of manner drew towards him in warm affection the hearts of all with whom he was associated.

Our best wishes for his prosperity and success follow him to his enlarged field of labor.

The vacancy occasioned by Professor Pratt's withdrawal from the faculty has not as yet been permanently supplied. A temporary provision has, however, been made by the employment, as tutor, of Mr. J. B. Hotchkiss, B., A. of Connecticut, who graduated with honor from our college in June last.

#### THE DEPARTMENTS OF INSTRUCTION.

The course of instruction in the several departments of the institution has in no essential particular differed from that of last year.

The general progress of the students and pupils has been satisfactory; and, while some have made less advance than might reasonably have been expected of them, the great majority have given unquestionable evidence of their high appreciation of the privileges they enjoy, in their diligent attention to study, and their successful passing of the stated examinations.

#### THE COLLEGE.

On the 23d of June the first class that has passed through our entire college course was graduated, the members thereof receiving the degree of Bachelor of Arts in attestation of the advance they had made.

The exercises of commencement were held in the First Congregational Church, in Washington; and so important are they deemed, as marking the development of the institution, that we subjoin hereto a detailed

account of the proceedings of the day as an essential portion of our report of the transactions of last year.

Especial attention is called to the orations of the graduating class, as affording, so far as such productions can do, evidence of the intellectual development of their authors.

The question whether deaf mutes can successfully undertake a college course of study is no longer an open one.

And with the settlement of this has been answered another question, viz: "What can educated deaf mutes do?"

Our graduating class consisted of three young men.

One of these has been appointed an instructor in the Illinois Institution for the Deaf and Dumb, and has at the same time received a commission from the Coast Survey to conduct microscopic examinations of importance to the public service. He has also, during the summer, secured a patent for an improved microscope, which has been well spoken of by men of science.

Another of the class, already referred to in this report as being temporarily employed as tutor in our college, received an offer of a position in a prominent western institution for the deaf and dumb, while the third has entered the service of the government, in the Patent Office, and, for his marked success in a competitive examination, instituted by the Commissioner, has been promoted to an assistant examinership.

No stronger evidence is needed of the value of the course of study afforded in our college than the fact that our graduates are at once called to honorable positions in life, of a rank and importance not heretofore to be aspired to by deaf mutes.

Of the many problems presented for solution within the domain of social science, none are more interesting than those which involve the transmutation of a non-productive class of persons into a producing class; hence it is that the work of enlightening the deaf and dumb—a people left by nature in a state of pitiful dependence—has ever excited the liveliest interest in the minds of philanthropists.

A century ago the benevolent world was justly filled with admiration at an undertaking which showed for its results deaf mutes taught to read and write, and to be successful mechanics. The elevation thus wrought out for the afflicted class was great—well worth the labor and treasure involved.

But the work of the present day, in the institution committed by the Congress of the United States to our care, has advanced far beyond the point reached in past generations.

Members of a class once denied by law the management even of their own affairs, being regarded as *non compos mentis*, are now, by the extended course of training afforded them in our college, enabled to compete successfully with those endowed with all their faculties in the comparatively limited arena of pure intellectual effort.

The former pariahs of society may now become its leaders; those who were once regarded as beyond its pale may now reasonably aspire to aid in the direction of its sentiments and its affairs.

Of the triumphs of peace achieved by civilized governments, few can lay claim to higher consideration than this of the Congress of the United States, which has taken human beings from the ranks of the mentally disabled to give them citizenship, and possible leadership, in the world of science and letters.

In this connection it is proper that attention should be directed to the fact that the number of students allowed by law to be admitted to the

collegiate department from the States and Territories of the United States is limited to twenty-five, and that every place authorized is filled.

Several applications for admission are on file from deaf mutes whose claims to participate in the privileges of the institution are as well founded as those of any of the twenty-five now here.

Other applications will surely be filed during the present year, and the dictates of simple justice would seem to demand that these should be provided for. We would, therefore, respectfully recommend that the existing act be amended, raising the number of students from twenty-five to forty.

When it is considered that nearly eight years have elapsed since the first appropriation was made for building purposes, and that during all this period the inmates of the institution have been subjected to great inconveniences, always cramped for room in one department or another, it may not, perhaps, be thought unreasonable that the directors should urge with some earnestness the speedy completion of a work the support of which Congress has undertaken from the year of its inception.

That the action of the government in regard to the institution may be readily understood, a digest is hereto appended of all the acts and parts of acts relating to the institution, from the date of its legal organization in 1857, down to the appropriation for its support during the present year.

All of which is respectfully submitted, by order of the board of directors.

E. M. GALLAUDET, *President.*

Hon. JACOB D. COX,  
*Secretary of the Interior.*

## GOVERNMENT HOSPITAL FOR THE INSANE.

### REPORT OF BOARD OF VISITORS.

GOVERNMENT HOSPITAL FOR THE INSANE,  
*St. Elizabeth, D. C., October 30, 1869.*

SIR: The following report of the "condition and wants" of the hospital for the year ending June 30, 1869, prepared by the superintendent and approved by this board, is respectfully submitted to you, as required by a clause of the second section of the act of March 3, 1855.

The number of patients under treatment on the 30th day of June, 1868, was:

From the army, white males.....	116
From the army, colored males.....	6
From the army, white males, (discharged).....	23
From the army, colored male, (discharged).....	1
From the army, white female.....	1
	<hr/> 147
From the navy, white males.....	16
From the navy, colored male.....	1
From the navy, white male, (discharged).....	1
	<hr/> 18
	<hr/> 165



From civil life, white males.....	49	
From civil life, white females.....	86	
	<hr/>	135
From civil life, colored males.....	8	
From civil life, colored females.....	15	
	<hr/>	23
		<hr/>
		158
From Quartermaster's Department, colored male.....	1	
From Soldiers' Home, white males.....	2	
Late rebel prisoners, white males.....	3	
	<hr/>	
Males, 227; females, 102; total.....		329
		<hr/>

The use of the word *discharged* in the above table, and its similar use in subsequent tables, designates patients who did not actually belong either to the army or navy at the time of admission under the act of July 13, 1866, which provides for the care in this hospital of insane persons whose insanity either originally began while they were in the military or naval service, or was due to causes which arose during, or were produced by, such service.

The number of patients admitted during the year ending June 30, 1869, was:

From the army, white males.....	43	
From the army, colored male.....	1	
From the army, white males, (discharged).....	28	
From the army, colored males, (discharged).....	2	
	<hr/>	74
From the navy, white males.....	11	
From the navy, colored male.....	1	
From the navy, white male, (discharged).....	1	
	<hr/>	13
		<hr/>
		87
From civil life, white males.....	34	
From civil life, white females.....	27	
	<hr/>	61
From civil life, colored males.....	9	
From civil life, colored females.....	7	
	<hr/>	16
		<hr/>
		77
From Soldiers' Home, white males.....		2
	<hr/>	
Males, 132; females, 34; total.....		166
		<hr/>

One person was readmitted in the course of the year, consequently there was one less persons than cases under treatment.

The whole number of patients under treatment in the course of the year 1868-69 was:

From the army, white males.....	159	
From the army, colored males.....	7	
From the army, white males, (discharged).....	51	
From the army, colored males, (discharged).....	3	
From the army, white female.....	1	
	<hr/>	221

From the navy, white males.....	27	
From the navy, colored males.....	2	
From the navy, white males, (discharged).....	2	
	<hr/>	31
		<hr/>
From civil life, white males.....	83	
From civil life, white females.....	113	
	<hr/>	196
From civil life, colored males.....	17	
From civil life, colored females.....	22	
	<hr/>	39
		<hr/>
From the Quartermaster's Department, colored male.....		1
From Soldiers' Home, white males.....		4
Late rebel prisoners.....		3
		<hr/>
Males, 359; females, 136; total.....		495
		<hr/>

The number of patients discharged in the course of the year was:

Recovered, from the army, white males.....	34	
Recovered, from the army, colored males.....	2	
Recovered, from the army, white males, (discharged).....	5	
Recovered, from the army, colored male, (discharged).....	1	
	<hr/>	42
Recovered, from the navy, white males.....		2
	<hr/>	44
Recovered, from civil life, white males.....	12	
Recovered, from civil life, white females.....	8	
	<hr/>	20
Recovered, from civil life, colored males.....	3	
Recovered, from civil life, colored females.....	3	
	<hr/>	6
		<hr/>
Recovered, from Soldiers' Home, white males.....		2
	<hr/>	72
Improved, from the army, white male.....	1	
Improved, from the navy, white male.....	1	
	<hr/>	2
Improved, from civil life, white males.....	4	
Improved, from civil life, white females.....	4	
	<hr/>	8
Improved, from civil life, colored male.....	1	
Improved, from civil life, colored female.....	1	
	<hr/>	2
		<hr/>
		10
		<hr/>
		12
Unimproved, from the army, white male.....		1
Unimproved, from civil life, white males.....	4	
Unimproved, from civil life, white females.....	2	
	<hr/>	6
Unimproved, from civil life, colored males.....		2
	<hr/>	8
		<hr/>
		9
		<hr/>
Males, 75; females, 18; total.....		93
		<hr/>

The number of patients who died in the course of the year was :

From the army, white males.....	8	
From the army, white males, (discharged).....	2	
		10
From the navy, white males.....	6	
		16
From civil life, white males.....	4	
From civil life, white females.....	6	
		10
From civil life, colored males.....	3	
From civil life, colored females.....	3	
		6
		16
From Soldiers' Home, white male.....	1	
		33

Males, 24 ; females, 9 ; total.....

The number of patients remaining under treatment on the 30th day of June, 1869, was :

From the army, white males.....	115	
From the army, colored males.....	5	
From the army, white males, (discharged).....	44	
From the army, colored males, (discharged).....	2	
From the army, white female.....	1	
		167
From the navy, white males.....	18	
From the navy, colored males.....	2	
From the navy, white males, (discharged).....	2	
		22
		189
From civil life, white males.....	59	
From civil life, white females.....	93	
		152
From civil life, colored males.....	8	
From civil life, colored females.....	15	
		23
		175
From Quartermaster's Department, colored male.....	1	
From Soldiers' Home, white male.....	1	
Late rebel prisoners, white males.....	3	
		369

Males, 260 ; females, 109 ; total.....

*A tabular statement of the physical and mental condition, and duration of the disease at the time of death, of those who died in the course of the year.*

#### PHYSICAL CONDITION.

Chronic, organic and functional degeneration of the brain, without complicative or supervenient disease before death.....	6
Chronic, organic and functional degeneration of the brain, with phthisis.....	8
Ditto, with paralysis.....	3
Ditto, with apoplexy.....	3
Ditto, with epilepsy.....	3
Ditto, with serous apoplexy.....	1
Ditto, with diarrhœa.....	1

Maniacal exhaustion.....	2
Diarrhœa.....	1
Hæmatemesis.....	1
Softening of the brain.....	1
Apoplexy.....	1
Drowning.....	1
Ulceration of bowels.....	1
	<hr/>
	33
	<hr/>

## MENTAL CONDITION.

Acute mania.....	6
Chronic mania.....	8
Chronic melancholia.....	2
Acute dementia.....	2
Chronic dementia.....	14
Chronic dementia of imbecility.....	1
	<hr/>
	33
	<hr/>

## DURATION OF MENTAL DISEASE.

One month.....	2
Two months.....	1
Three months.....	1
Five months.....	1
Six months.....	3
Two years.....	5
Three years.....	6
Four years.....	3
Five years.....	4
Six years.....	1
Eight years.....	1
Nine years.....	1
Ten years.....	1
Twenty years.....	1
Twenty-five years.....	1
Twenty-seven years.....	1
	<hr/>
	33
	<hr/>

As nearly as could be ascertained, the persons admitted during the year had been insane at the time of admission :

One to three months, from the army, white males.....	10
One to three months, from the army, colored male.....	1
One to three months, from the army, white male, (discharged).....	1
One to three months, from the navy, white males.....	2
One to three months, from civil life, white males.....	13
One to three months, from civil life, white females.....	13
One to three months, from civil life, colored males.....	6
One to three months, from civil life, colored females.....	6
	<hr/>

52

Three to six months, from the army, white males.....	23
Three to six months, from the army, white males, (discharged).....	5
Three to six months, from the navy, white males.....	2
Three to six months, from civil life, white males.....	5

Three to six months, from civil life, white females.....	5	
Three to six months, from Soldiers' Home, white male.....	1	
	<hr/>	40
One year, from the army, white males.....	5	
One year, from the navy, white male.....	1	
One year, from civil life, white males.....	3	
One year, from civil life, white females.....	2	
	<hr/>	11
Two years, from the army, white males.....	5	
Two years, from the army, white males, (discharged).....	5	
Two years, from the navy, white males.....	3	
Two years, from civil life, white males.....	3	
Two years, from civil life, colored male.....	1	
Two years, from civil life, colored female.....	1	
	<hr/>	18
Three years, from the army, white male.....	1	
Three years, from the army, white males, (discharged).....	7	
Three years, from the army, colored male, (discharged).....	1	
Three years, from civil life, white male.....	1	
Three years, from civil life, white females.....	2	
	<hr/>	12
Four years, from the army, white males, (discharged).....	2	
Four years, from the navy, white male.....	1	
Four years, from civil life, white males.....	2	
	<hr/>	5
Five years, from the army, white males, (discharged).....	3	
Five years, from civil life, white males.....	2	
Five years, from civil life, white female.....	1	
	<hr/>	6
Six years, from the army, white male, (discharged).....	1	
Seven years, from the army, white male, (discharged).....	1	
Seven years, from civil life, white male.....	1	
Seven years, from civil life, white female.....	1	
	<hr/>	3
Eight years, from the army, white male, (discharged).....	1	
Eight years, from the navy, white male.....	1	
	<hr/>	2
Ten years, from the army, white males, (discharged).....	2	
Ten years, from the army, colored male.....	1	
Ten years, from the navy, white male.....	1	
Ten years, from civil life, white male.....	1	
Ten years, from civil life, white female.....	1	
	<hr/>	6
Fifteen years, from civil life, white male.....	1	
Fifteen years, from Soldiers' Home.....	1	
	<hr/>	2
Seventeen years, from the navy, white male.....	1	
Twenty years, from the navy, colored male.....	1	
Twenty years, from civil life, white male.....	1	
Twenty years, from civil life, white females.....	2	
Twenty years, from civil life, colored male.....	1	
	<hr/>	5
Twenty-two years, from civil life, colored male.....	1	
Twenty-nine years, from civil life, white male.....	1	

*Tabular statement of the time of life at which the 2,629 persons treated since the opening of the institution, became insane.*

Under 10 years.....	36
Between 10 and 15 years.....	21
Between 15 and 20 years.....	173
Between 20 and 25 years.....	563
Between 25 and 30 years.....	651
Between 30 and 35 years.....	492
Between 35 and 40 years.....	292
Between 40 and 45 years.....	153
Between 45 and 50 years.....	85
Between 50 and 60 years.....	77
Between 60 and 70 years.....	43
Between 70 and 80 years.....	17
Unknown.....	26
Total.....	<u>2,629</u>

*Table showing the nativity, as far as it could be ascertained, of the 2,629 persons treated.*

NATIVE-BORN.		FOREIGN-BORN.	
District of Columbia.....	237	Ireland.....	611
New York.....	189	Germany.....	405
Pennsylvania.....	151	England.....	53
Maryland.....	145	France.....	35
Virginia.....	132	Canada.....	19
Massachusetts.....	66	Scotland.....	12
Ohio.....	64	Italy.....	11
Maine.....	30	Switzerland.....	7
Illinois.....	27	Norway.....	6
New Hampshire.....	22	Denmark.....	6
Kentucky.....	20	Sweden.....	6
New Jersey.....	18	Poland.....	6
Indiana.....	17	Russia.....	5
Connecticut.....	17	Spain.....	4
Michigan.....	15	Wales.....	3
Vermont.....	14	Holland.....	3
Tennessee.....	14	Portugal.....	3
Wisconsin.....	13	Nova Scotia.....	3
Missouri.....	13	Hungary.....	2
Rhode Island.....	11	Austria.....	2
North Carolina.....	5	Mexico.....	2
Delaware.....	4	Buenos Ayres.....	1
Iowa.....	4	Costa Rica.....	1
Alabama.....	3	Sicily.....	1
Louisiana.....	3	Belgium.....	1
South Carolina.....	3	British America.....	1
Georgia.....	1	Malta.....	1
Mississippi.....	1	East Indies.....	1
Arkansas.....	1		
Colorado.....	1		
Florida.....	1		
Choctaw Nation.....	1		

Native-born.....	1,243
Foreign-born.....	1,211
Unknown.....	175
Total.....	<u>2,629</u>

*Table showing the form of disease under which the cases received since the institution was opened labored at the time of admission.*

## MANIA.

Acute simple.....	1,060
Acute epileptic.....	28
Acute paralytic.....	7
Acute homicidal.....	10
Acute hysterical.....	5
Acute puerperal.....	11
Acute suicidal.....	17
Acute erotic.....	2
Acute febrile.....	38
Acute periodical.....	54
Acute dipsoic.....	74
Acute cataleptic.....	5
Acute kleptoic.....	1
Acute suicidal and homicidal.....	1
Typhomania, (Bell's disease).....	2
	<hr/>
Chronic simple.....	225
Chronic epileptic.....	11
Chronic paralytic.....	8
Chronic puerperal.....	5
Chronic periodical.....	31
Chronic cataleptic.....	1
Chronic dipsoic.....	12
Chronic dipsoic and epileptic.....	1
Chronic suicidal.....	3
Chronic homicidal.....	5
Chronic homicidal and epileptic.....	1
Chronic homicidal and hysterical.....	1
	<hr/>
	1,315

## MONOMANIA.

Acute simple.....	5
Chronic simple.....	14
	<hr/>
	19

## MELANCHOLIA.

Acute simple.....	125
Acute suicidal.....	29
Acute epileptic.....	1
Acute nostalgic.....	25
Acute homicidal.....	2
	<hr/>
Chronic simple.....	44
Chronic suicidal.....	3
Chronic periodical.....	1
	<hr/>
	182
	<hr/>
	48

## DEMENTIA.

Acute simple.....	219	
Acute epileptic.....	11	
Acute paralytic.....	14	
Acute periodical.....	3	
Acute suicidal.....	7	
Acute senile.....	1	
	<hr/>	255
Chronic simple.....	394	
Chronic general paralysis.....	5	
Chronic epileptic.....	68	
Chronic paralytic.....	34	
Chronic senile.....	19	
Chronic dipsoic.....	7	
Chronic suicidal.....	5	
Chronic periodical.....	3	
Chronic epileptic and suicidal.....	1	
Chronic paralytic and suicidal.....	1	
Chronic paralytic and epileptic.....	1	
	<hr/>	538
IMBECILITY.		
Chronic simple.....	9	
Chronic epileptic.....	1	
	<hr/>	10
Opium eater, (chronic).....		1
	<hr/>	
Whole number of cases treated.....	2,672	
Number of readmissions.....	43	
	<hr/>	
Number of persons treated.....	2,629	
	<hr/>	

## INDEPENDENT OR PAY PATIENTS.

There were of this class, at the beginning of the year, 9 males, 11 females.....	20	
Received during the year, 18 males, 8 females.....	26	
Whole number under treatment, 27 males, 19 females....	46	
Discharged during the year, 14 males, 5 females.....	19	
	<hr/>	
Remaining at the end of the year, 13 males, 14 females.....		27

## PUBLIC PATIENTS REMAINING AT THE END OF THE YEAR.

From the army.....	167	
From the navy.....	22	
	<hr/>	
	189	
From civil life.....	149	
From Quartermaster's Department.....	1	
Late rebel prisoners.....	3	
	<hr/>	342
	<hr/>	
Males, 260; females, 109; total.....		369
	<hr/>	

The admissions of all classes this year were one hundred and sixty-



six, (166,) or fourteen (14) more than in the previous year. The whole number of cases treated was four hundred and ninety-five, (495,) or sixty-three (63) more than the year before. There was but one second admission of the same case in the course of the year. The admission of officers and men of the army and navy in actual service were fifty-six, (56,) or seven (7) more than in the previous year; and the *discharged* officers and men received were thirty-one, (31,) or eleven (11) more than the year before. The admissions from civil life were seventy-seven, (77,) or five (5) less than in 1867-'68.

The recoveries this year were seventy-two, (72;) discharged improved, twelve, (12;) unimproved, nine, (9;) died thirty-three, (33;) discharged and died, one hundred and twenty-six, (126.) The recoveries were forty-three per cent. of the admissions, fifty-seven per cent. of the discharges and deaths together, and seventy-seven per cent. of the discharges, exclusive of deaths. The deaths were six and two-fifths per cent. of the whole number of cases treated, and twenty-six per cent. of the discharges, including deaths. These ratios are about the same as those obtained last year, and more favorable, perhaps, than we can reasonably expect to obtain in future years on account of the increasing proportion of chronic cases.

The number of patients remaining under treatment at the end of the year (June 30, 1869) was three hundred and sixty-nine, (369,) and the number has risen to four hundred and two (402) at the date of the preparation of this report, or fifty-eight (58) more than were under treatment a year ago, and fifty-two (52) more than the *maximum* accommodations of the house. The superintendent of the hospital, in his report as superintendent of construction, has submitted a plan of an extension of the capacity of the institution, and an estimate of its cost. We have examined the plan of the proposed new building, and think it well suited to the convenient and comfortable care of the class of the insane for which it is designed. We have also examined the details of the estimate of the cost of the building, and are of the opinion that they are reasonable, if not low. We have not drawn particular attention to the increase of admissions and to the large and increasing number of patients under treatment, to make an ambitious display of the magnitude of our charge, but to show that additional accommodations have become absolutely necessary and their creation delayed quite as long as they should be. The executive officers of the institution have in fact done all properly in their power to prevent any undue increase of numbers, by discharging chronic cases whenever their friends were found able and willing to take care of them, and by preventing the admission of unsuitable cases, and procuring the discharge of such when admitted, which is seldom. They have earnestly sought to conform to the law and to protect the government against imposition, without disregarding the impulses and claims of humanity. Considerable acquaintance with the operations of other institutions for the insane leads us to the belief that this hospital, notwithstanding its situation at the political center of the country, and the large number of more or less deranged, and often destitute, persons who naturally drift hither, receives as few free patients who are unfit by reason of non-residence, of ability to pay their expenses, of being only affected with simple imbecility, or of not being insane, as any other of its size. The large municipal institutions are particularly subject to the imposition of non-residents upon them. The number of unfit cases of all classes received here in the fourteen and three-fourths (14 $\frac{3}{4}$ ) years since the hospital was opened, has not exceeded one and one-half (1 $\frac{1}{2}$ ) per cent., or three (3) in two hundred, (200,) and the most of

this small percentage of unsuitables has been sloughed off in one way and another, but without injury or unkindness to the weak or destitute. The comparative immunity the national institution enjoys from this kind of imposition is mainly due, without doubt, to the fact that all free civil patients are received here upon the certificate, under oath, of two physicians of the District of Columbia, that the patient is insane, and that his insanity commenced during his residence in the District, and upon the certificate, also under oath, of two householders of the District, that the patient is unable to pay his board and other expenses in the hospital. These requirements of a law of Congress, enacted twelve (12) years ago, necessitate a *personal responsibility* on the part of well-known physicians and resident householders, which is believed to be the only efficacious preventive of all that kind of abuses to which we have referred. We are pleased to observe that the project of a code for the regulation of all the legal relations of the insane, recently adopted by the association of superintendents of American institutions for the insane, at its meeting in Boston, in June, 1868, recommends substantially the same provision for the admission of the insane to hospitals that has here for a dozen years proved so efficacious in preventing abuses and embarrassments, and to perceive that the legislature of Pennsylvania has incorporated the recommendation of the association, in this regard, into an act passed at its last session.

It is a popular impression, which has been unusually active of late, that from one sinister motive or another sane people are somewhat frequently "*imprisoned*" in institutions for the insane; but that impression is not sustained by the experience of this hospital, which has received but one person, in the whole 2,629 admitted prior to July 1, 1869, who appeared to possess fair natural mental capacity and to be entirely sane, and to have been placed here with a fraudulent design on the part of those who procured his admission. The writer of this report has been concerned in the care of upwards of four thousand (4,000) insane persons, and has had no personal knowledge of any but the one case of the kind just related. The terms "*locked up*" and "*imprisoned*," which are in popular use to express the residence of persons in institutions for the insane, indicate the prevalence of an erroneous prejudice in relation to the character and offices of such institutions. The insane are simply sick people, and should be so regarded. They are affected with a peculiar form of disease which requires special treatment in institutions provided for the purpose, and there is no more reason nor justice in denouncing their residence in those institutions for such treatment as an "*imprisonment*," or an oppression, than there is for a popular outcry against families for confining to his chamber a member suffering from the delirium of fever. We are entirely satisfied that in this country the improper or unnecessary confinement of persons in our institutions for the insane is of very rare occurrence, while it is certain that among the prosperous classes the mistaken kindness of near relatives, and, among the poor, the cupidity of the authorities, often, very often, cause the proper treatment of the insane to be too long delayed or continued for too short a time.

The hospital has been in all respects prosperous during the last year, and the various ordinary and special appurtenances necessary to fulfill the benevolent purposes of Congress in founding and sustaining the institution have been steadily increased and faithfully applied. Religious services on the Sabbath and the mid-week evening entertainments have been regularly continued. The farm has returned an ample per cent. upon the large expenditures that have been made in under-draining and

fertilizing it. It has supplied an abundance of fruit, vegetables, milk, and pork of the best quality, for the whole house, and a large amount of poultry and eggs for the sick and delicate. The diet of the household, the basis of which is the army ration, has been varied, abundant, well cooked, and comfortably served. The treatment of the insane by their personal attendants has generally been kind and attentive. The pleasure grounds have been much improved by under-draining, grading, the making of roads and walks; and their own great diversity and beauty, and the diversity and beauty of the extensive views they command, have largely contributed to the contentment as well as the positive enjoyment of the household. The completion of the wall, except on the river side, enables the officers of the hospital to attain the seemingly inconsistent, but most desirable, objects of preventing most escapes, and largely relieving the patients from the vexations of close personal surveillance.

We regret that there is occasion to make a single exception to this picture of general prosperity. A patient from the Soldiers' Home, in this District, afflicted with mild melancholia tending to dementia, occasioned by intemperance, who had not manifested any suicidal disposition, either before or after his admission, suddenly and without warning jumped into the water from one of our wharves. He immediately came to the surface and then dove again. His attendant was at hand, but was a little uncertain as to the direction he took under water, and when the body was in a short time found, life was extinct.

An important and interesting addition to the arrangements for insuring careful and constant watchfulness on the part of the night attendants and watchmen has been made during the year by the erection of an electro-magnetic watch clock, from the manufactory of Edmands Hamblet, Boston, Massachusetts, which consists of a very superior astronomical clock, situated in the center or executive portion of the building, with which the electro-magnetic recording apparatus is connected. There are three recording instruments, one for the watchman of the men's wing, one for the watchwoman of the women's wing, and one for the out-door watchman.

Each of these instruments consists of a paper dial, divided to indicate hours and minutes, which is carried upon a brass plate revolved by, and synchronous with, the time movement of the clock. Against this paper dial is held, by a spring arm, the point of a pencil, which, while it remains stationary, makes upon the dial a continuous circumferential line. This arm is so hinged that the end carrying the pencil can be moved towards the center of the dial by the revolution of a cam, whose motion is governed by a weight and an escapement, to the verge of which is connected the armature of an electro-magnet. When this armature is raised by the action of the electro-magnet, the weight causes a tooth of the scape-wheel to pass its pallet, and the corresponding movement of the cam pushes the pencil towards the center of the paper dial. From this electro-magnet run wires to the different stations which the watchman has to visit. These wires are so arranged that the coil upon the electro-magnet is in connection with only one at a time, and, as the instrument is operated, with each in numerical succession. From each station there is also a return wire to a galvanic battery, and finally the battery is connected with the coil on the electro-magnet. At each station is placed an "electrode," within which are wires from the clock and from the battery. These wires are contiguous, and so arranged that by turning a key they are brought together and the electrical circuit completed.

The paper dial having been put in place, the watchman at the time for commencing his duty goes to his station No. 1 and turns his key. The electrical connection is thus made through wire No. 1, the electro-magnet excited and the scape-wheel released, thus allowing the weight to turn the cam which moves the pencil towards the center of the dial, and thereby interrupting the circumferential line. This movement of the arm carrying the pencil has the further effect of breaking the connection of the electro-magnet with the wire going to station No. 1, and to put it in connection with the wire going to station No. 2. The watchman now goes to station No. 2, and, turning his key, the pencil is again moved onward and the electrical connection made with the next station. He thus goes on from station to station, and, upon turning his key at the last one, the pencil falls back to its original position, ready for him to commence another round.

It will thus be seen that the radial lines upon the dial show the exact time that the watchman visited each particular station during the entire night, and the circumferential lines show the exact time spent between consecutive stations. The stations must be visited in their numerical order, and are so placed that the in-door watches are compelled, in going to them, to pass through every portion of their respective sides of the house, and the out-door watch must perambulate the entire circuit of the grounds adjacent to the hospital edifice and through the out-buildings, and it is impossible for them in any way to falsify their record. The clock will give an exact account of their movements.

This watch clock is particularly well adapted to the requirements of a hospital for the insane, wherein the varying exigencies of the duties of the watchmen prohibit their being at a particular place at specified times, as is necessitated by the use of some of the more common varieties of watch clocks. With the use of this clock the watchman has more inducements to attend to the wants of a sick patient than to neglect them, because he knows that his movements will be faithfully recorded. The paper dials are marked with the date of use and the name of the watchman, and filed, thus serving as a permanent and indisputable evidence of the manner in which our watch duty is performed.

The Board of Commissioners of Metropolitan Police have, during the past year, commenced the work of extending their telegraph into the suburban portions of the District, and the line to this vicinity has been completed and the station located at the hospital. The institution is thus placed in direct telegraphic connection with the headquarters of the Metropolitan Police, and with the central office of the fire department, and is able to summon the assistance of steam fire-engines in case of fire and to notify the police at once of an elopement from the hospital or of any disturbance of the peace in this vicinity.

The telegraphic instruments used on this line, also invented and manufactured by the Messrs. Edmonds & Hamblet, are of a new and peculiar construction, and are, I believe, the first successful application of magneto-electricity to telegraphic purposes.

In these instruments the electric current is generated by the revolution of the armature of a permanent magnet, and the transmitting apparatus consists of a system of revolving needles, the movements of which are controlled by keys, in a manner so simple that a person of ordinary intelligence can learn to operate it in a very short time. The hospital has been at no expense for the erection of this line of telegraph, and is at none for its use.

*Classified abstract of the receipts and expenditures of the hospital during the year ending June 30, 1869.***EXPENDITURES.**

Balance due the superintendent from the United States from last year.....	\$25,390 28
Expended for flour.....	11,037 37
Expended for butter and cheese.....	6,776 09
Expended for meats, including hams.....	13,417 28
Expended for poultry and eggs.....	675 29
Expended for fish.....	865 57
Expended for groceries and ice.....	8,341 59
Expended for potatoes and vegetables.....	1,016 25
Expended for feed for stock.....	3,774 80
Expended for farming implements and seeds; also fruit trees, vines, and shrubs.....	1,260 52
Expended for stock.....	515 00
Expended for horse and ox shoeing.....	268 50
Expended for repairs and improvements.....	9,011 06
Expended for repairs to carriages, harness, &c.....	101 78
Expended for furniture, glass, china, and hardware.....	1,423 47
Expended for boots, shoes, findings, &c.....	448 88
Expended for bedding.....	1,297 00
Expended for dry goods.....	3,410 78
Expended for books, stationery, and printing.....	424 55
Expended for fuel and lights.....	6,104 28
Expended for money returned to private patients.....	58 14
Expended for return of eloped patients.....	5 00
Expended for postage.....	96 22
Expended for salaries and wages.....	41,208 35
Expended for medicines, surgical instruments, and liquors.....	781 67
Expended for recreations and amusements.....	411 15
Expended for steam boiler.....	590 45
Expended for watch clock.....	1,018 25
Expended for miscellaneous supplies.....	320 50
<b>Total.....</b>	<b>140,050 07</b>

**RECEIPTS.**

Received from the treasury of the United States.....	\$116,000 00
Received from private patients for board.....	14,086 94
Received from miscellaneous articles sold.....	922 09
Balance due the superintendent from the United States..	9,041 04
<b>Total.....</b>	<b>140,050 07</b>

A balance of \$25,000 of the appropriations for the support of the hospital remained in the treasury at the close of the year..... \$25,000 00

The last quarterly statement of the year showed a balance due from the United States to the superintendent..... \$9,041 04

The amount of outstanding bills due at the close of the year, including salaries and wages for

the month of June, amounting to \$3,029 09,	
was.....	\$6,035 86
	<hr/>
	\$15,076 90
Which shows a remainder subject to requisition for use of the institution.....	<hr/>
	9,923 10
	<hr/>

It has already been stated that, at the date of the preparation of this report, there were four hundred and two (402) patients in the house, and the number under treatment is likely to gradually increase. A balance of nearly ten thousand dollars (\$10,000) remained, as just shown, towards the payment of the expenses of this year, and we hope to have a small balance in favor of the institution at its close; and in view of the favorable exhibit we are able to make of the present financial situation of the institution, and of the steadily increasing productiveness of the cultivated portions of the original grounds of the establishment, and the possession and use by it of the lands for the purchase of which Congress, in its liberality, has made the appropriation asked for that purpose, we respectfully recommend that ninety thousand five hundred dollars, (\$90,500,) including five hundred dollars (\$500) for books, stationery, and incidental expenses, be asked for the year 1870-'71, the same sum that was asked and granted for the current year. It is our earnest purpose to treat the insane committed to our charge, more than one-half of whom have lost their reason in the military or naval service of the country, or as a secondary consequence of such service, with the utmost humanity and with all the skill known to science, and to avail ourselves of all the facilities and appurtenances necessary to such treatment; and it is our equally distinct and earnest purpose to accomplish these objects, imperatively required not less by a high Christian civilization than by the people and government of our beloved republic, not only without any extravagance or ostentation, but with the strictest economy. We cannot be expected to conduct the institution during the year in question for a less sum than we have asked, and if no unexpected change in prices or numbers takes place in that time, we shall endeavor to make it sufficient.

There seems to be no occasion this year for any extended observations upon the nature or treatment of any form of insanity. The special movements of the day in this great field of practical philanthropy relate to proper and available provision for the chronic insane, and to a more exact statutory definition of the legal relations of the insane of all classes. These movements appear to need no advocacy from us, for they are almost everywhere acknowledged to be both just and necessary, and are progressing with a rapidity which is as gratifying as it is remarkable, in view of the short time that has elapsed since the doctrines upon which they are based were distinctly enunciated, and the large drafts which the first and most important of those movements make upon the resources of the several States.

The medical staff of the hospital remains the same that it has been for several years. The marked faithfulness of the assistant physicians, who are men of ability, has not been abated, and their discretion and efficiency have increased with rapidly accumulating experience.

Persons have of late been more anxious to obtain and keep situations as attendants than formerly, and as their average terms of service have been longer than heretofore, they have become more adept in the performance of their difficult duties and more interested in them. The per-

sonal attendance of patients has never been, on the whole, as well performed as it has during the last year.

Earnestly commending this great institution, with all the delicate personal interests which from time to time center in it, to the support and fostering care of the government.

We have the honor to be, very respectfully, your obedient servants,

W. GUNTON, *President.*

C. H. NICHOLS, *Secretary.*

Hon. J. D. Cox, *Secretary of the Interior.*

## REPORT OF THE SUPERINTENDENT OF CONSTRUCTION.

GOVERNMENT HOSPITAL FOR THE INSANE,  
*Near Washington, D. C., October 30, 1869.*

SIR: In my last report I stated that the "cottages for the use of employes of the hospital having families, the coal house, and other minor improvements authorized by small appropriations," were "either completed or well advanced." Two small sums had been appropriated, one of \$6,000 for repairing three old cottages, and building two new ones for employes having families, and the other of \$2,000 for a coal house.

At the time of the preparation of that report, the repairs of the old cottages were under way, and the rebuilding of the coal wharf, provided for by a previous appropriation, completed. The coal house was considered as a continuation of the latter improvement, and I then thought that by the first of November (the usual time of presenting my report) all those improvements would be completed or well advanced, and so wrote.

It was afterwards found that the completion of the wall, excepting the river front, the finishing of the interior of the east wing of the hospital edifice, the completion of the cottages and the coal house, could not all be either conveniently or economically accomplished that season. Accordingly the work on the cottages and coal house was suspended, as being less urgent than the other improvements. It now seems probable that the economic administration of the institution will render it advisable to place one or both of the new cottages on the land lately acquired by the government for the use of the hospital.

Some portion of the building material of the new cottages and coal house has been procured, but no part of either of the above appropriations has as yet been asked for, and both remain in the treasury.

The work of finishing, furnishing, lighting, heating, &c., the eastern wards of the east wing (the work on which was suspended during the late war by reason of their occupation as a general army hospital) has been continued with a small force, without accident, though the crowded state of the house renders it necessary that patients should occupy rooms adjacent to those upon which the mechanics are at work. Nearly \$8,000 of the appropriations for finishing and fitting up the east wing (that last erected) remain unexpended, and will be sufficient to complete it.

The appropriation of \$23,000 asked last year, for the purchase of the farm of one hundred and forty-eight acres, more or less, of land, with the buildings thereon, lying directly east of the present grounds of the hospital, has been generously made by Congress. An elaborate abstract of title has been prepared by a competent lawyer, forwarded through the Interior Department to the Attorney General, and has received the approval of the latter officer. The deed conveying the property to the United States is being prepared, and there is reason to hope

the purchase will be consummated in the course of a few days. I regard the acquisition of this tract of land by the government, for the use of the hospital, with very great satisfaction. It is well watered, and will, in time, become highly productive. This land and the other lands belonging to the institution afford ample area for the extended agricultural operations needed, both for the most economical support and the most favorable sanitary treatment of a large collection of the insane, embracing a considerable proportion of chronic cases, and of men accustomed to manual labor.

Five hundred and one linear feet of the wall inclosing the original grounds of the hospital have been built since the date of my last report, and the wall proper is now complete, except the river front. Thirty-three hundred and nineteen feet lack the coping of bricks molded for the purpose, and the "pointing" generally required after the first winter's exposure of new work of the kind. The bricks (10,134 in number) necessary to complete the coping have been made and hauled along the line of the wall, ready to be laid. The line of the wall on the southwestern side of the premises runs over exceedingly uneven land, and the grades of the wall were made fewer and less abrupt than the natural inequalities of the surface. Although much grading and underdraining were necessarily done when the wall was built, considerable more grading is necessary, in some places, to give a water fall from the foundation, and in others to support it by embankment. About twenty-five hundred dollars of the appropriations for this work remain unexpended, and will be sufficient to entirely finish the wall already built, to grade the grounds adjacent to it, and to build a few rods of wall on the river front.

The following estimates for the year 1870-71, are respectfully submitted:

- |   |          |
|---|----------|
| 1. For the completion of the wall inclosing the original grounds of the hospital .....  | \$10,000 |
| 2. For the erection, heating, lighting, furnishing, and fitting up of an extension of the hospital, for the accommodation of one hundred patients in the three principal stories, and to contain separate tailors' and shoemakers' shops and lodging rooms, and a day room for twenty employes in the basement story..... | 59,483   |

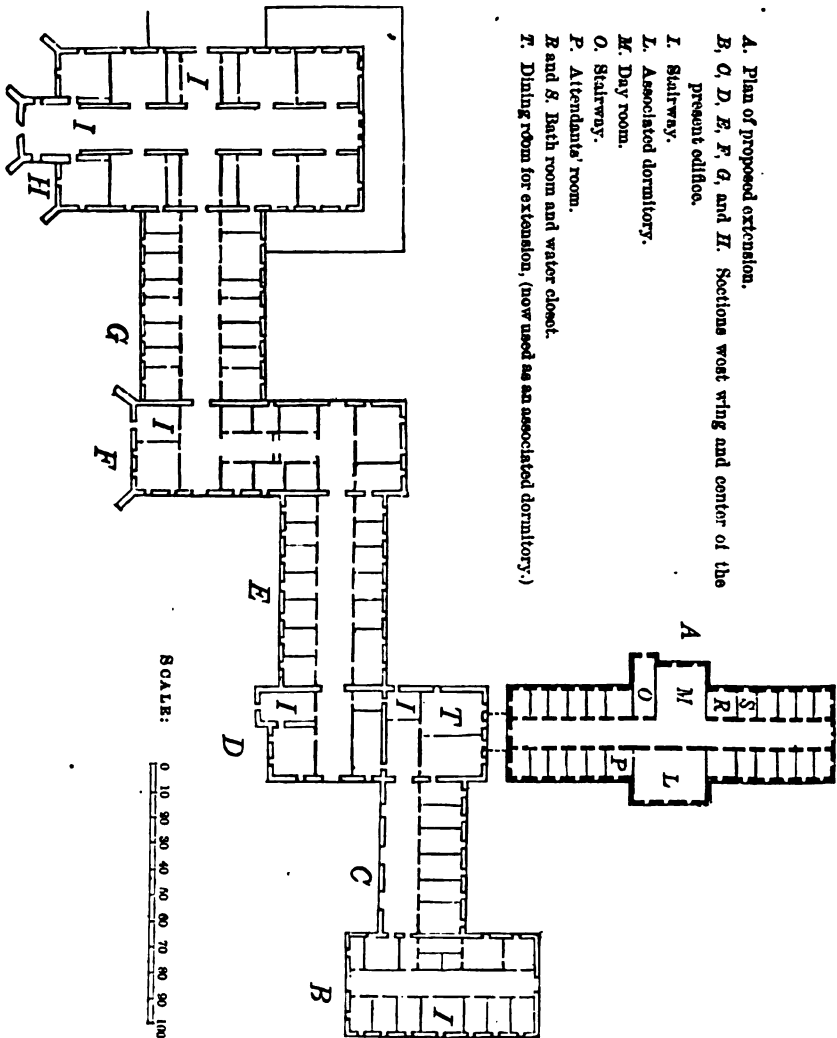
The first estimate is the sum thought necessary to complete a work of great importance in several respects. The usefulness of the greater part of the wall already built, as a barrier against escapes on the one hand and to the intrusion of the public on the other, is partial or limited until the whole is completed. The water is quite shallow on the river shore, which declines very gradually to a "swash" channel from four to six feet deep at flood tide, and at low tide considerable grassy surfaces are bare, and exhale a miasm which renders the river shore the only unhealthy part of the grounds. The intention is to place the wall a little below low-water mark, where it will obstruct the alluvial wash from the hills towards the channel, and gradually redeem from water and marsh between three and four acres of land, and render the shore salubrious by presenting either constant water or well-drained earth surfaces. About two-thirds of the shore line is an alluvial bluff, which is gradually undermined and caused to recede by the action of the water during high northwest storms, which are here somewhat common. This evil will be prevented by the completion of the wall, and I trust that the favorable condition of the treasury will justify Congress in making the appropriation asked for the purpose.



The second estimate is for a proposed extension of the accommodations of the hospital, which has become urgently necessary. This proposition would have been brought forward a year ago had it not been thought essential to the most economical and useful management of the institution, to acquire the land for which a considerable appropriation of money was then asked and has since been granted, and had not some fear been entertained that Congress might think it unnecessary if not unreasonable to furnish in one year the means to effect two improvements of some magnitude. It has been thought the duty of the Government Hospital for the Insane, as it has been the ambition of its conductors, to discharge all the obligations the general government is under to the insane of the country. Except the cases of a few private patients most of the inmates of this institution are discharged either by recovery or death. The number of recent cases admitted will not vary greatly from year to year, except in time of war, but the number of chronic cases has already become large in proportion to the whole number under care, and will probably continue to increase somewhat rapidly for a year or two to come. More acute cases of mental disease were treated here during the last two years of the late war than were ever treated in any other one establishment in the same space of time. The proportion of cases that become chronic, or relapse after recovery, is pretty constant, and under the operation of the law of July 13, 1866, which provides for the care here of all indigent insane persons whose insanity originally occurred while in the military or naval service of the country, or is the result of causes which arose during and were produced by such service, the hospital is gradually gathering in the chronic insane from all parts of the United States that are the complement of the acute cases that were under treatment in the course of the war.

The practice of caring for the chronic and of treating acute cases of insanity in the same establishment, which has naturally grown out of the situation and offices of this institution, and for which an important provision has been made by the acquirement of a considerable area of agricultural land, is in exact accord with the system more recently approved by American experts in the treatment of the insane after a careful and protracted consideration of the whole subject of the condition, wants, and claims of the chronic insane of the several States. It will thus be seen that the hospital is in the important and somewhat responsible attitude of endeavoring to demonstrate the wisdom, in every view of the subject, of congregating the acute and chronic insane, and of affording, I trust, some practical encouragement to the philanthropists and political authorities of the States to persevere in the noble and dutiful enterprise upon which several of them have already entered, and to undertake it where it has not been already commenced, of providing for the humane and skillful care of their insane of all classes. Under the circumstances and the operation of the system thus briefly sketched, there are under treatment in the hospital to-day four hundred and two patients. As shown in the text and illustrations of the report of 1859-'60, the *maximum* number of patients the present buildings have the capacity to properly accommodate is three hundred and fifty, so that, notwithstanding the large proportion of chronic cases now under care, the institution has now under its roofs fifty-two more patients than it really ought to attempt to care for, and the excess of population is likely to be steadily augmented. It would not be easy to exaggerate the extra cares and dangers attending a much crowded institution for the insane, and the reception of a larger number can be justified only on the ground that the evil is likely to be temporary, and that

the care given the patients, even under these unfavorable circumstances, is the best the classes admitted here can at this time anywhere receive. If this estimate should receive your approval, and the appropriation by Congress be made in time for the commencement of the work early next season, the building could not be erected, furnished, and fitted up ready for occupation in any less than one year, or before the first of July, 1871, when in all probability the institution will be compelled to provide for at least four hundred and fifty patients, a number that will fill the entire accommodations, including the proposed addition.



Plan of the proposed extension of the Government Hospital for the Insane.

The plan of the proposed extension embraces a substantially separate building, with the facility of medical supervision, of heating by the hot-water circulation without an additional number of fires, and of

serving with food, which is afforded by a corridor connection, at a convenient point, with one of the wings of the main building. It will be well lighted, and its natural ventilation will be the best possible under any circumstances. The stories of the present buildings are twelve and fourteen feet high in the clear. The stories of the wards of the extension will be eleven feet high in the clear. The single dormitories will be seven feet six inches by ten feet six inches on the floor, and will contain eight hundred and sixty-six cubic feet of air, including the space occupied by a single bed and a small table. The associated dormitories for twelve patients will be eighteen feet six inches by thirty feet, and will contain sixty-one hundred and five cubic feet of air, including the space occupied by twelve single bedsteads. As the present building presents ample means for the classification and treatment of active mental disease in all its forms and manifestations, whether acute or chronic, the proposed new building is intended to accommodate, for the most part, quiet, old cases of tidy habits, and it is thought that the space allowed, with the most thorough and effective provision for artificial ventilation when the house is closed in winter, will be ample both for health and comfort. The corridors will be eleven feet wide, and there will be a day-room eighteen feet six inches by nineteen feet three inches, and a bath-room, a water-closet, a clothes-room, and an entry and stairway on each floor. The section of the present structure to which the new building will be connected has three stories above a basement, which is high and mostly above ground, and it is proposed to finish, in the first or basement story of the extension, which will be about nine feet high in the clear, two large rooms for making and repairing clothing and boots and shoes; also dormitories and a day-room for single men employed out of the wards, and to finish and occupy the three upper stories as wards, each to accommodate thirty-four patients, or one hundred and two in all. It is now necessary to have both tailoring and shoemaking done, and to lodge a number of out-door hands, in the wards, and a separate provision of shops for those needful operations and dormitories for such employes will restore considerable valuable room to its legitimate use by the patients and rid the wards of the trouble and confusion arising from this double use of several of them.

It is thought a wise economy, as well as a duty to the unfortunate men who may occupy the proposed extension, that it should be very substantial and every way entirely comfortable; but it is also thought admissible that it should be a little plainer in its external aspect than the present buildings, though in entire architectural harmony with them, and somewhat plainer in interior finish, as well as less ample in space. Hence the moderate sum for which it is estimated that the proposed extension can be built, furnished, and fitted up complete. I believe architects are in the habit of adding ten per cent. to their net estimates to cover contingencies in building. I have added only five per cent., believing that margin enough for all outlays that may unexpectedly arise. It has not been customary to embrace in this report, which is usually published, the detailed estimates, and, having been submitted on the 15th instant, they are accordingly omitted here.

Earnestly hoping that the reasons I have now given for the estimates submitted herewith will satisfy your judgment that they are needful and reasonable, I have the honor to be, sir, with great respect, your obedient servant,

C. H. NICHOLS,  
*Superintendent.*

Hon. J. D. COX,  
*Secretary of the Interior.*

## REPORT OF THE ARCHITECT OF THE CAPITOL EXTENSION.

ARCHITECT'S OFFICE, UNITED STATES CAPITOL,  
Washington, D. C., November 1, 1869.

SIR: I have the honor to present the accompanying report relative to the public buildings of your department, which are under the direction of this office.

## CAPITOL EXTENSION.

There have been various improvements, changes, and repairs made since the date of the last report.

A large portion of the iron gutters has been covered with copper; many rooms and passages have been painted; the post office room of the Senate rearranged, so as to afford more light and air within the post office screen; the restaurant has been enlarged and otherwise improved; the ceiling of the retiring room to the Senate has been finished by the addition of four pictures in fresco, by Brumidi; the granite steps have all been reset, and the work of cleaning and pointing the marble continued.

The heating apparatus of both wings has been kept in good repair and somewhat improved.

The repairs to the heating apparatus, and the general repairs to the wings, have heretofore been made under the directions of the officers of the two houses, and paid for out of appropriations made for that specific purpose.

By a provision in the appropriation bill of March 3, 1869, all these repairs and improvements were placed under the direction of this office, and it further provides that the cost of these repairs, &c., shall be paid out of no funds other than those appropriated for the wings of the Capitol. This action of Congress places an additional expenditure of some twenty or twenty-five thousand dollars per annum under this office; to cover which, a sum is included in the general estimate.

An amount is also included for paving the upper terraces with Seneca flagging, and surrounding the outer edge of the upper terrace with a broad granite coping.

As Congress has not taken notice of the recommendations of my predecessor or myself relative to the extension of the eastern front of the central portion of the building, and as it is not likely that body will soon take action on the subject of enlargement of the building, I beg leave to call the attention of Congress to the necessity of paving the space of the eastern front with a wooden or some other suitable pavement, and flagging the sidewalks. This structure has advanced so near completion, its approaches and grounds should be embellished.

*Amount expended from October 31, 1868, to October 31, 1869.*

Amount paid on rolls for mechanics, laborers, salaries, &c. . . . .	\$66, 737 85
Amount paid for paint, painting and glazing . . . . .	16, 314 61
Amount paid for miscellaneous bills, such as bricks, lime, sand, cement, hardware, iron work, &c. . . . .	15, 969 02
Amount paid for steam and gas fitting, plumbing and materials . . . . .	5, 067 92
Amount paid for material, casting and fitting, on account of bronze doors . . . . .	2, 845 24
Amount paid for Seneca stone flagging . . . . .	3, 669 35

Amount paid for roofing, copper.....	\$3,091 11
Amount paid for marble.....	2,203 73
Amount paid for glass.....	2,167 08
Amount paid for painting in fresco on ceiling of Senate post office.....	2,000 00
Amount paid for water tank for loft in south wing.....	700 00
Amount paid for paintings for committee room of Indian Affairs, House of Representatives.....	1,097 47
Total.....	122,463 40

*Cash account of the Capitol extension.*

Amount available October 31, 1868.....	\$75,644 94
Amount appropriated March 3, 1869.....	75,000 00
Amount received for rent of saw mill.....	600 00
Amount received for sale of old materials.....	244 12
Total.....	151,479 06
Amount expended from October 31, 1868, to October 31, 1869.....	122,463 40
Leaving on the 31st October, 1869, an unexpended bal- ance of.....	29,015 66

An appropriation of \$100,000 is required for the continuation of this work, the repairs to the heating apparatus, and for flagging, and curb and terraces.

**ANNUAL REPAIRS OF THE UNITED STATES CAPITOL, CENTRAL BUILDING.**

Many improvements and repairs have been made in this portion of the building.

New skylights with iron sash and frames have been placed over the lanterns, the old inner sash over the old hall of representatives taken away, and the interior of the lantern retited and supplied with a row of gas burners for the better lighting of the hall, the jets of which are lighted by a connection with the battery of the dome.

In conformity with the resolution of Congress, passed April 9, 1869, and by the direction of the Committee of Public Buildings and Grounds of the House, there have been six additional committee rooms fitted up. To obtain these rooms provision had to be made for the reception of the books and documents stored in most of them; for this purpose the cellar story has been fitted up, and in order to prevent dampness and injury to the documents, steam has been introduced from the boilers of the south wing, and two steam chambers, with cast iron radiators, supplied for the partial heating of the old hall of representatives and the rotunda.

Steam radiators have also been placed in the central passages near the western doors. The old hot air furnaces have been taken from the crypt.

It is desirable that the old hot air furnaces, which are much worn, should be taken out next season, and their places supplied by steam coils, for by this change expense might be saved, both in fuel and labor, and a pleaster heat obtained.

In compliance with the resolution of the Senate, passed April 19, 1869,

a room for the reception of the books, &c., connected with the office of the Secretary of the Senate, has been fitted up, and other rooms shelved for the reception of the duplicate documents.

Much of the exterior of the building has been painted, the cornice and balustrade several coats, to prevent further destruction of the stone; the portions of which exposed to the weather give signs of rapid disintegration.

*Amount expended from October 31, 1868, to October 31, 1869.*

Amount paid on rolls of mechanics, laborers, &c .....	\$5,000 00
Amount paid for painting, paint, and glazing .....	5,533 79
Amount paid for steam and gas fitting, plumbing and materials .....	2,768 07
Amount paid for miscellaneous bills, such as lumber, bricks, hardware, lime, cement, &c .....	5,591 21
Total .....	<u>18,893 07</u>

*Cash account annual repairs of the Capitol.*

Amount available October 31, 1868 .....	\$8,893 07
Amount appropriated March 3, 1869 .....	10,000 00
Total .....	<u>18,893 07</u>
Amount expended from October 31, 1868, to October 31, 1869 .....	<u>18,893 07</u>

Of the foregoing expenditure the sum of three thousand two hundred and eighty-four dollars was for heating apparatus and other items, incidental to the fitting up the six additional committee rooms, and was not contemplated when the last estimate for annual repairs was made.

An appropriation of \$15,000 is required for the ordinary annual repairs and for the extension of the steam heating apparatus.

NEW DOME.

The necessary painting and other repairs have been done, and two men, whose services have been paid for out of the appropriation for repairs, have been constantly employed in sweeping and dusting to keep the interior suitable for the reception of visitors. I am of the opinion that the pay of these men should be provided for in some other way, as the work they are engaged on is no part of the construction or repairs to the dome. Such has been the accumulation of dust that I was compelled to place men at this duty, or to close the dome to visitors.

*Amount expended from October 31, 1868, to October 31, 1869.*

Amount paid for paint and painting .....	\$1,568 61
Amount paid on rolls of mechanics and laborers .....	725 75
Amount paid for hardware, &c .....	233 58
	<u>2,527 94</u>

*Cash account.*

Amount available October 31, 1868.....	\$1,112 03
Amount appropriated March 3, 1869.....	5,000 00
	<hr/>
	6,112 03
Amount expended from October 31, 1868, to October 31, 1869 .....	2,527 94
	<hr/>
Leaving on the 31st October, 1869, an unexpended balance of.....	3,584 09
	<hr/> <hr/>

An appropriation of \$4,000 is required for painting, repairs, &c.

## EXTENSION OF THE CAPITOL GROUNDS.

Agreeably to the resolution of Congress approved March 23, 1869, all the buildings not necessary for the work of the Capitol extension, with the exception of the fire-engine house, have been moved from the immediate vicinity of the Capitol, and stables, for the accommodation of the horses and mail wagons of both houses, have been erected out of the old material.

Ninety thousand five hundred and eighty-eight loads of earth have been deposited in the grounds south of the Capitol.

Early measures should be taken by Congress to determine the boundaries of these grounds, and authorize the laying out and paving the streets surrounding them, and also for their embellishment.

*Amount expended from October 31, 1868, to October 31, 1869.*

Amount paid for earth for filling.....	\$9,058 80
Amount paid on rolls for labor.....	5,722 10
Amount paid for hardware, lumber, &c.....	219 10
	<hr/>
	15,000 00
	<hr/> <hr/>

*Cash account.*

Amount appropriated March 3, 1869.....	\$15,000 00
Amount expended from July 1, 1869, to October 31, 1869.	15,000 00
	<hr/> <hr/>

An appropriation of \$25,000 is required for continuing the grading and filling.

## PATENT OFFICE BUILDING.

The north portico has been completed; also the foot way and iron railing of the north front.

All that now remains to complete the surroundings of this building is the paving of G street from Seventh to Ninth.

In the amount appropriated last season there was a sum for improving the southern half of this street with the ordinary stone pavement, and it would have been so improved but for the interposition of some of the owners of the property on the opposite side of the street. These persons, owning the larger portion of the property, ask that when the street is improved it may be with a wooden pavement. The Hon. Secretary of the Interior is also of the opinion that a wooden pavement, being

comparatively noiseless, would be preferable to the department, the principal office of which is on that street. In consideration of the foregoing the work of improving that street has been deferred in the hope that Congress may determine what pavement may be used. And as the funds on hand are not sufficient to pay for a wooden pavement, a further sum of seven thousand dollars for this purpose is asked.

*Amount expended from October 31, 1868, to October 31, 1869.*

Amount paid for flagging foot-walks .....	\$4,192 60
Amount paid for cast-iron railing .....	1,577 74
Amount paid on rolls of mechanics, laborers, &c. ....	831 79
Amount paid for miscellaneous bills, such as cement, lime, sand, &c. ....	256 43
Amount paid for pointing marble work .....	400 00
	<hr/>
	7,258 56
	<hr/>

*Cash account.*

Amount available October 31, 1868 .....	\$534 16
Amount appropriated March 3, 1869 .....	8,500 00
	<hr/>
	9,034 16
Amount expended from October 31, 1868, to October 31, 1869 .....	7,258 56
	<hr/>
Leaving on the 31st October, 1869, an unexpended balance of	1,775 60
	<hr/>

**CITY HALL.**

The improvements to the eastern portion of the City Hall, which were authorized by Congress, July 20, 1868, have all been made; the corporation of Washington having done its part.

Heretofore, it has not been the duty of any particular person to attend to the repairs of the portion of this building occupied by the United States, and the neglect has been injurious to the building. I take the liberty herein to ask for an appropriation of one thousand dollars for the general repairs next season, and for the purchase of new hot air furnaces for the court room.

*Amount expended from October 31, 1868, to October 31, 1869.*

Amount paid on rolls of mechanics, laborers, &c .....	\$952 95
Amount paid for paint and painting .....	1,246 28
Amount paid for miscellaneous bills, such as lime, sand, cement, &c .....	331 04
Amount paid for pointing and repairing cornice and other stone work .....	369 20
	<hr/>
	2,899 47
	<hr/>



*Cash account.*

Amount appropriated July 20, 1868. ....	\$3,200 00
Amount expended from October 31, 1868, to October 31, 1869 .....	2,809 47
Leaving on the 31st October, 1869, an unexpended balance of. ....	300 53

*Recapitulation of appropriations required for the foregoing works.*

United States Capitol extension .....	\$100,000 00
Annual repairs United States Capitol .....	15,000 00
New dome United States Capitol .....	4,000 00
Filling and grading Capitol grounds .....	25,000 00
Patent Office building—for paving G street from Seventh to Ninth .....	7,000 00
City Hall—for general repairs of portion occupied by the United States, and for new furnaces for court room ....	1,000 00

I am, very respectfully, your obedient servant,

EDWARD CLARK, *Architect.*

Hon. J. D. Cox,

*Secretary of the Interior.*

## REPORT OF THE WARDEN OF THE UNITED STATES JAIL.

## WARDEN'S OFFICE, UNITED STATES JAIL.

*Washington, D. C., November 6, 1869.*

SIR: I have the honor to transmit herewith my annual report for the year ending October 31, 1869.

Very respectfully, your obedient servant,

JOHN S. CROCKER, *Warden.*

Hon. J. D. Cox,

*Secretary of the Interior.*

## WARDEN'S OFFICE, UNITED STATES JAIL.

*Washington, D. C., November 1, 1869.*

SIR: In compliance with the act of Congress approved February 29, 1864, entitled "An act to authorize the appointment of a warden of the jail in the District of Columbia," I respectfully submit the following report for the year commencing November 1, 1868, and ending October 31, 1869:

I entered upon the duties of warden on the 15th day of March last. This report is based upon my personal knowledge of the business since that time, and upon records placed in my possession by my predecessor, Mr. William H. Huestis, as to matters previous thereto.

The jail is dilapidated, and has not the strength, capacity, or ventilation suitable for the purposes for which it is used; hence, I rely more upon the vigilance and efficiency of the officers and guards for the safe keeping and health of prisoners than upon the building.

The duties of the guards have been clearly defined by established rules, which have been rigidly enforced; and thus prisoners have been securely held, as required by law.

Such repairs only as were actually necessary have been made, but

the old building has been so long in use and is so constantly crowded that repairs from time to time are imperatively demanded in order to render the building tenable. The furnaces and heating apparatus gave out, and have been thoroughly repaired; the gas and water pipes failed to serve their purposes, but have been put in good condition; broken locks, and hinges to the doors of the cells and rooms, have been replaced by new ones; a new cell has been constructed in the female department; the window-blinds and sashes all required repairing, which has been done, and quite an amount of glazing has also been done; the out-buildings have been repaired at considerable cost; and other repairs of smaller moment have been made.

The building has been kept thoroughly clean; lime and other disinfectants have been freely used; and thus the health and comfort of the prisoners have been promoted. The entire jail is swept, and, where necessary, scrubbed and washed, and the corridors and cells sprinkled with slaked lime every day. Other disinfectants are occasionally used, and the cells, corridors, and rooms whitewashed from two to three times a week. This is deemed necessary by reason of the crowded condition of the jail and its want of proper ventilation.

The sanitary condition of the jail and the health of the prisoners have been excellent during the year. One death only has occurred.

Your attention is respectfully called to the accompanying report of Doctor Noble Young, physician to the jail, for a more detailed statement of the health of the prisoners and the sanitary condition of the jail.

The guards and employes have performed their respective duties with vigilance and efficiency, and good order and excellent discipline have prevailed.

The construction of the jail is such, and the number of inmates so great, that it is necessary to confine from fifteen to twenty persons in the same corridor, many of whom remain but a few weeks, which, together with changes made by new commitments and discharges, occurring more or less every day, render it more difficult to secure perfect discipline among the prisoners than in prisons where single cells are provided, the changes less frequent, and the terms of imprisonment of longer duration, yet, in my judgment, we have reached a point of discipline and good order among the prisoners which is quite satisfactory under the circumstances.

Several attempts to break jail have been made during the year, under the lead of experienced burglars confined here, but I am happy to state that in every instance they have been completely thwarted.

The amount of disbursements during the year is \$46,178 70, which is somewhat in excess of last year, and has been caused in part by the increased number of guards, which increase was rendered imperatively necessary by the insecurity of the building, and partly by the increase in the average number of prisoners to be provided for.

The disbursements are made up as follows:

For salaries of officers, guards, and cooks.....	\$24,232 88
Transportation of prisoners to Albany.....	1,992 91
Cost of subsisting prisoners.....	9,887 11
Beds, bedding, and clothing.....	4,373 22
Repairs.....	1,909 56
Fuel.....	1,737 13
Medicines.....	226 60
Hardware, including stoves and cooking utensils.....	351 55
Gas.....	450 81
Incidentals.....	870 33
<b>Total.....</b>	<b>\$46,178 70</b>

The number of prisoners in jail on the 1st day of November, 1868, was 144. The number committed during the year is 1,199. Aggregate number of prisoners, 1,343, of whom 1,188 were males and 155 females.

The offenses charged against those committed since November 1, 1868, are as follows:

Offenses.	Males.	Females.	Total.
Murder.....	12	1	13
Rape.....	8		8
Arson.....	1		1
Burglary.....	28		28
Highway robbery.....	9		9
Assault and battery, with intent to kill.....	69	6	75
Perjury.....	1	1	2
Attempt to poison.....	2		2
Horse-stealing.....	11		11
Bigamy.....	2	1	3
Forgery.....	22		22
Assault and battery and attempting robbery.....	4		4
Pickpockets.....	16		16
Fraudulently obtaining money.....	6		6
Receiving stolen goods.....	5	5	10
Passing counterfeit money.....	3	1	4
Rioting and resisting officers.....	39		39
Embezzling goods.....	2		2
Grand larceny.....	119	13	132
Bastardy.....	4		4
False pretense.....	14		14
Representing to be a metropolitan police officer.....	2		2
Petit larceny.....	357	62	419
Assault and battery.....	105	9	114
Profane and indecent language.....	1	2	3
Assaulting a police officer.....	2		2
Fugitive from justice.....	1		1
Violation of corporation ordinances.....	1	4	5
Keeping disorderly house.....		4	4
Assault.....	2		2
Breach of peace.....	44	7	51
Default of fine.....	2		2
Committed by supreme court.....	138	3	141
Trespass.....	8		8
Held as witnesses.....	3		3
Contempt of court.....	4	1	5
Violation of internal revenue laws.....	3		3

Of the above there have been convicted by the courts 269, for the following offenses:

Offenses.	WHITE.		COLORED.		Total.
	Males.	Females.	Males.	Females.	
Manslaughter.....	1				1
Rape.....			1		1
Assault and battery, with intent to kill.....	4		7		11
Horse-stealing.....	4		4		8
Forgery.....	1				1
Bigamy.....			1	1	2
Embezzlement.....	1				1
Robbery.....	4		2		6
Burglary.....			7		7
Attempt to poison.....			1		1
Grand larceny.....	6	1	19	2	28
Resisting officer.....	1				1
False personating.....	1				1
False pretense.....	1		1		2
Petit larceny.....	17		23	8	48
Contempt of court.....			1		1
Assault.....			1		1
Disorderly house.....		1		2	3
Assault and battery.....	17	1	35	2	55
Violation of corporation ordinance.....	1	5	1	1	8
Trespass.....			5		5
Riot.....			7		7

Of whom there were sentenced to Albany penitentiary, 67; released during the year, 1,262; remaining in jail October 31, 1869, 81.

The highest number in jail at one time during the year is 176; the general daily average number of prisoners, 118.

The District of Columbia needs a new jail.

Very respectfully, your obedient servant,

JOHN S. CROCKER,  
Warden.

Hon. J. D. Cox,  
*Secretary of the Interior.*

WARDEN'S OFFICE, UNITED STATES JAIL,  
Washington, D. C., September 30, 1869.

SIR: I have the honor to report as usual in regard to the health of the prisoners during the past year.

We have had the usual number of cases of delirium tremens and other disturbances of the nervous system incident to the habits of those newly committed.

Some wounds and other injuries arising from brawls occurring prior to commitment, in the same class of subjects; and rather more than usual of venereal cases, always more abundant than any other form of disease.

Some cases of intermittent fever have occurred, and one very severe case of typhoid fever; this last appearing within a day or two after commitment of the subject, and was evidently owing to causes originating elsewhere. But one death has occurred.

I am happy to say that the most efficient aid has been given me in the discharge of my duties by the excellent arrangement of the guards for the purpose, and the cheerfulness with which each has performed his duty.

The character of the food, its mode of preparation, the regularity of hours, and interest in duty in preserving cleanliness throughout, may be assigned as a chief cause of the healthiness of the prison.

I am, sir, most respectfully, your obedient servant,

N. YOUNG, M. D.,  
Physician United States Jail.

General JOHN S. CROCKER,  
Warden United States Jail, D. C.

REPORT OF THE HOSPITAL FOR WOMEN.

WAR DEPARTMENT, SURGEON GENERAL'S OFFICE,  
Washington, October 2, 1869.

SIR: By resolution of the board of directors of the Columbia Hospital for Women I have been designated to solicit the attention of the Hon. Secretary of the Interior to the operations of this most excellent charity during the past year, as exhibited in the inclosed report of the surgeon in charge.

The circular letter inclosed herewith will explain as concisely as practicable the origin and purposes of this institution; but the most lengthy report would fail to convey a proper idea of the amount of good accomplished by, and the urgent necessity for the continuance of, this hospital. A large number of the 706 patients admitted to the free beds during the year were wives, widows, or daughters of men who were dis-

abled or lost their lives during the war, in the army or navy, overtaken by sickness while seeking information or prosecuting claims in this city. In a few instances, rest and food and shelter only were needed; but in the majority of cases professional skill, careful nursing, and all the appliances of a well conducted hospital, not otherwise obtainable, were demanded for the preservation of life.

A former estimate by the Hon. Secretary of the Interior for \$60,000 for the erection of a building of suitable capacity was not favorably considered in committee; but there is little doubt that your recommendation to a similar effect, supported, as it is, by the evidence of another year of continued and increasing usefulness, will receive favorable action during the approaching session of Congress.

The inclosed estimate for current expenses is based upon the experience of the past, and will be barely sufficient to meet the absolutely necessary expenditure.

Trusting that the Columbia Hospital for Women may receive your sympathy and assistance, I have the honor to be, very respectfully, your obedient servant,

J. K. BARNES.

Hon. J. D. Cox,  
*Secretary of the Interior.*

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#### CIRCULAR.

COLUMBIA HOSPITAL FOR WOMEN,  
Washington City, 1868.

The board of directors of the Columbia Hospital for Women have the honor to solicit your attention to the following statement of the operations of this institution:

The object of the act of incorporation, approved June 1, 1866, was "to found in the city of Washington a hospital and dispensary for the treatment of diseases peculiar women, and a lying-in asylum, in which those unable to pay therefor shall be furnished with board, lodging, medicines, and medical attendance gratuitously." A building having been procured, the hospital was at once organized, and opened for the reception of patients. Fifty free beds were established, of which twenty were set apart for the wives, widows, and daughters of soldiers and sailors, who are admitted upon orders from the Surgeon General United States Army, and the Chief of the Bureau of Medicine and Surgery United States Navy; the remaining thirty being for such patients as are unable to pay anything toward their support, and who are admitted upon the orders of the Hon. Secretary of the Interior.

So far as the size of the building occupied would admit of it, private rooms and beds for such patients as could pay from six to ten dollars per week, were provided; but owing to the want of sufficient accommodations this most important and desirable feature has not been fully developed, and the greatest usefulness of the institution thus far has been the gratuitous relief afforded to a number of worthy and industrious women who otherwise must have perished for want of proper care and attendance. Since the opening of the Columbia Hospital in March, 1866, 1,096 patients have been received and treated gratuitously, upon the orders of the Hon. Secretary of the Interior, the Surgeon General, and the Chief of the Bureau of Medicine and Surgery. Seventy-three private patients, paying from six to ten dollars per week for board, but furnished with medicines and medical attendance free of charge, have been admitted during the same period. The proceeds from this source (\$4,311) have been turned into the general fund. In 1866 an appropriation of \$10,000, in 1867 an appropriation of \$10,000, and in 1868 an appropriation of \$15,000, was made by Congress for the support of the free beds, of which a balance of \$4,249 09 remained on hand December 1, 1868.

Experience has proven the urgent necessity for a hospital of this character in this city, there being no municipal provision for this class of patients. The amount of good it has accomplished, even with its limited means, is incalculable, and the conviction is forced upon us, that with a comparatively small expenditure it can be made the most efficient and economical of the national charities. The erection of a suitable building, with a capacity of one hundred and fifty beds, of which the private would be in nearer proportion to the free ones, has become essential to the continuance and success of this work. Relieved of the heavy charge for rent, assisted by the number of paying patients who would hasten to avail themselves of the advantages of a first-class

hospital for women, its usefulness would be largely increased, while the necessity for aid from the government would be gradually diminished, until, in a few years, it became self-sustaining. The estimate of the Hon. Secretary of the Interior for an appropriation for the purchase of a site and the erection of a building is now before Congress, and your earnest co-operation and assistance in securing its adoption is most respectfully solicited by

Your obedient servants,

A. D. GILLETTE, *President of the Board.*  
 CHARLES H. HALL, *Vice-President of the Board.*  
 J. K. BARNES, *Vice-President of the Board.*  
 J. N. COOMBS, *Secretary of the Board.*  
 H. D. COOKE.  
 P. J. HORWITZ, *Chief Bureau Medicine and Surgery.*  
 C. H. NICHOLS, M. D.  
 MOSES KELLY.  
 O. O. HOWARD.  
 B. SUNDERLAND, D. D.  
 REV. A. H. AMES.  
 J. H. THOMPSON, M. D.  
 G. W. SAMSON, D. D.  
 ANSEL ST. JOHN.

#### APPEAL.

Appreciating the great need which this community has for a long time experienced for a well-conducted and systematic dispensary, similar to those of other large cities, the board of directors of the Columbia Hospital for Women, acting under a charter from Congress, have established a free dispensary for the proper treatment of the sick who are destitute of the means necessary to procure advice and medicine.

Such an institution will commend itself to every reflecting mind, when it is remembered that the facilities and improved appliances which it affords for the diagnosis and treatment of diseases are beyond any which ward physicians can possibly command: that the system which it employs necessitates the more thorough examination of individual cases; that the classification of the different diseases, assigning to each physician one particular class, will thereby stimulate him to exercise his talents to the utmost, and in accordance with the most advanced scientific attainments of the age; that the results from such a division of labor will be the best possible which can flow from concentrated and focalized research and skill, and that the treatment of cases, being at all times subject to the examination and inspection of the board of consulting physicians and surgeons of the hospital, will be safe and proper, as well as effective and humane.

The board of directors commend this inestimable charity to the public for its assistance and co-operation, and especially to the legislators and guardians of our district. Its objects are to preserve the health of the poor and thereby, indirectly, of the whole metropolis; to arrest disease, and by timely and well-directed aid preserve its subjects to their families and restore them to their labors, rather than allow them, through unalleviated suffering and unchecked disease, to be driven into hospitals and asylums as paupers. Early medical and surgical attention will not only arrest or shorten disease and suffering, but will often entirely prevent it, and change a painful and dependent life into one of health and maintenance.

But, aside from these existing considerations, and many more which might be mentioned, it has always been found that in times of epidemics or other calamities which always threaten a large city, that an organized corps of medical gentlemen, armed with the necessary requirements for immediate and prompt action, is to a city's health what a battalion, organized and equipped, is to its safety and defense in times of hostility and danger. Disease and disaster are always imminent, and a community never feels safe unless it knows that it has at its command a protecting power, which at once inspires trust in its ability and confidence in its efficiency.

Apart from the humane and philanthropic impulses which have induced the medical staff to offer its services gratuitously to establish and carry on this charity—the necessities of which they fully realize—they will each and all be animated by a laudable ambition to excel, and a zeal to advance their professional attainments and to add strength and effectiveness to practical medicine and surgery. We trust that legislation and the public will encourage these men who have volunteered so much of their time and talents, for we feel satisfied—if they are supported in proportion as they have zeal, energy, and ability—that this benevolence will redound not only to the great good and prosperity of the district, but bring blessing upon all who give it support and co-operation.

Surely a charity so wide in its behests, proscribing no race, no age, no sex, but seeking to alleviate pain and suffering wherever it is nursed by penury and want, will not fail for the means to prosecute and extend it.

We appeal to every Christian philanthropist and citizen to ask himself or herself,

How much do I owe this benevolent enterprise? And if the response is heeded, our treasurer will be supplied abundantly with means, not only to prosecute the work already begun, but to extend its benefits and enlarge its benevolence.

During the past two years this dispensary has been working unobtrusively, yet to the best of its means, and the good results of its operations have been incalculable. Conducted entirely by the surgeon and assistant surgeon of the hospital, who have spared themselves neither time nor trouble to make it worthy of an extended support, more than one thousand patients have been the recipients of its bounty, and more than eight hundred of these have been destitute women and children. Its operations of late, however, becoming more extended, it has been deemed necessary to organize it more thoroughly, and to add to its medical and surgical staff other practitioners of the district, so that while its aid will be more general, its labors will be so divided as to reach every class of disease. To this end Drs. S. C. Busey, Louis Mackall, L. W. Ritchie, William Lee, and D. W. Prentiss, have been added to the dispensary staff, and, with Drs. J. H. Thompson and F. A. Ashford, (surgeon and assistant surgeon of the hospital,) comprise a corps of gentlemen whom the public already know will perform their parts with credit to themselves and the institution.

The ladies especially, who are always foremost to perform acts of charity, will find here innumerable opportunities for the exercise of benevolence and humanity. Please visit the dispensary, ladies, and you will find a broad field opened up before you, which, while it excites your commiseration, will call for the exercise of your sympathy and charities, and you yourselves will enjoy the privilege and blessing which belong to the one who "giveth even a cup of cold water in my name."

There will be a ward of the hospital set apart for such diseases of children as cannot be treated as out-patients, and preference will be given to such cases as require the aid of orthopedic surgery. This opportunity will be fully appreciated by the medical profession, for all know the difficulties which attend the treatment of hip-joint disease, club-foot and spinal disease in children, at their homes. To the poor it has been impossible to give any satisfactory relief from their inability to procure the necessary apparatus or appliance.

Whenever a case of disease presents itself at the dispensary which seems to require admission into the hospital for its proper treatment, and belongs to the class of diseases treated therein, it will be referred to the surgeon in charge, who will give the order for its admission.

When cases of unusual difficulty or danger shall present themselves, a consultation shall be required of the surgeon in charge of the hospital, who will notify the advisory board, and no capital operation shall be undertaken without its advice and consent.

#### COLUMBIA HOSPITAL FOR WOMEN AND LYING-IN ASYLUM.

WASHINGTON, D. C., *October 1, 1869.*

GENTLEMEN: I have the honor to submit herewith the annual report of the hospital under my supervision for the year ending June 30, 1869:

Patients under treatment at date of last report .....	60
Patients admitted during the year .....	679
<b>Total under treatment during the year .....</b>	<b>739</b>
Discharged cured .....	649
Discharged relieved .....	20
Discharged sent to insane asylum .....	2
Died .....	12
Remaining under treatment .....	56
	<b>739</b>
Indoor patients .....	244
Outdoor patients .....	495
	<b>739</b>

**732 PAPERS ACCOMPANYING REPORT SECRETARY INTERIOR.**

Free patients admitted .....	706
Pay patients admitted.....	33
	<hr/>
	739
	<hr/>
Births in hospital .....	56
	<hr/>
Deaths occurring in hospital:	
Phthisis .....	1
Pyæmia .....	4
Urinary calculus .....	1
Carcinoma uteri.....	1
Ruptured gall-bladder .....	1
Chronic dysentery .....	1
Cerebritis .....	1
	<hr/>
Total .....	12
	<hr/>

I would most respectfully submit the following estimates for the ensuing fiscal year:

For support of institution over and above the probable amount to be received from pay patients, including fuel, light, medi- cines, salaries, food, and necessary repairs .....	\$15, 000
Rent and furniture .....	3, 000
	<hr/>
Total .....	18, 000
	<hr/>

J. H. THOMPSON, M. D.,  
*Surgeon in Chief.*

The BOARD OF DIRECTORS, *Columbia Hospital.*



# REPORT

## OF

# THE POSTMASTER GENERAL.

POST OFFICE DEPARTMENT,  
*Washington, D. C., November 15, 1869.*

SIR: The ordinary revenues of this department for the fiscal year ended June 30, 1869, were \$18,344,510 72, and the expenditures \$23,698,131 50. For the year ended June 30, 1868, the ordinary revenues were \$16,292,600 80, and the expenditures \$22,730,592 65. The increase of revenue for the year 1869 over the preceding fiscal year was \$2,051,909 92, and the increase of expenditures \$967,538 85. The increase of revenue for 1868 over 1867 was \$1,055,573 93, and the increase of expenditures for 1868 over 1867 was \$3,495,109 19. The ratio of increase of revenue for the year 1869 is 12.59 per cent., and of expenditures 4.25 per cent., compared with receipts and expenditures for the year 1868. The increase of revenue for 1869 is greater than the increase for 1868 by \$996,335 99, and the increase of expenditures for 1869 is less than the increase for 1868 by \$2,527,570 34. If, therefore, the increase of receipts be compared with the increase of expenditures for the year last ended, it will appear that the increase of receipts exceeded the increase of expenditures in the sum of \$1,084,371 07; while a like comparison of the receipts and expenditures for the year 1868 will show an excess in the increase of expenditures over the increase of receipts for that year of \$2,439,535 26.

### ESTIMATES FOR 1871.

The estimated expenditures for the year ending June 30, 1871, are.....	\$25,581,093
The revenues, estimated at 10 per cent. increase over last year.....	\$20,178,961
Standing appropriations for free matter.....	700,000
	<hr/> 20,878,961
Leaving a deficiency of.....	<hr/> 4,702,132

The foregoing estimates do not include the following special appropriations in the nature of subsidies:

For mail steamship service between San Francisco, Japan, and China.....\$500,000

For like service between the United States and Brazil.....	\$150,000
For like service between San Francisco and Sandwich Islands	75,000
Total.....	<u>725,000</u>

Of the deficiency appropriated for the year 1869 there remains unexpended a balance of..... \$1,500,000 00  
 Against which there are properly chargeable sundry unliquidated accounts, which cannot exceed the following estimates:

For balances to foreign countries.....	\$250,000 00
For mail service under contract and recognized.....	284,186 35
For mail service unrecognized .....	150,000 00
	<u>684,186 35</u>

Leaving a net balance, after settlement and payment of all liabilities, of..... 815,813 65

#### STAMPS AND STAMPED ENVELOPES.

The number of postage stamps issued during the year was 420,896,540, representing.....	\$12,706,220 00
The number of periodical stamps was 150,920, representing.....	16,348 00
Stamped envelopes, plain, 46,265,750, representing....	1,332,862 50
Stamped envelopes, request, 31,814,100, representing...	950,726 00
Newspaper wrappers, 3,595,250, representing .....	<u>71,905 00</u>

The whole number of stamps, envelopes, and newspaper wrappers was 502,722,560, of the aggregate value of..... 15,078,061 50

The increase thereof is best exhibited by the following table:

Description.	Fiscal year ending June 30, 1862.	Fiscal year ending June 30, 1869.	Increase.	Increase per cent.
Postage stamps .....	\$11,736,264 00	\$12,706,220 00	\$969,956 00	8 26-100
Newspaper and periodical stamps.....	14,750 00	16,348 00	1,598 00	10 83-100
Plain stamped envelopes.....	1,285,218 00	1,332,862 50	47,644 50	3 70-100
Request stamped envelopes.....	759,520 00	950,726 00	191,206 00	25 17-100
Newspaper wrappers .....	67,372 00	71,905 00	4,533 00	6 72-100
Aggregate.....	13,863,134 00	15,078,061 50	1,214,927 50	8 75-100

The issue of periodical stamps was discontinued by my predecessor about February 1, 1869.

The number of packages of postage stamps lost in the mails during the year was 22, representing \$818; and of stamped envelopes 15, representing \$259 30, being much less than the losses from like delinquencies in 1868.

#### CONTRACTS.

There were in the service of the department on the 30th of June, 1869, 7,056 contractors for the transportation of the mails.

Of mail routes in operation there were 8,449, aggregating in length 223,731 miles, in annual transportation 90,723,403 miles, and in annual cost \$10,406,501. If the compensation of railway post office clerks, route agents, local agents, mail messengers, mail route messengers, and baggage-masters in charge of mails, amounting to \$1,275,227, be added, the aggregate annual cost will be \$11,681,728. This service was divided as follows:

Railroad routes: Length, 39,537 miles; annual transportation, 41,399,284 miles; annual cost, \$4,723,680—about 11.41 cents per mile.

Steamboat routes: Length, 20,779 miles; annual transportation, 4,331,011 miles; annual cost, \$774,536—about 17.88 cents per mile.

"Celerity, certainty, and security": Length, 163,415 miles; annual transportation, 44,993,108 miles; annual cost, \$4,908,285—about 10.9 cents per mile.

There was an increase over the preceding year in length of routes of 6,803 miles; in annual transportation, 6,499,078 miles; and in cost, \$140,445. To the last add increased cost for railway post office clerks, route, local, and other agents, \$160,594, and the total increase of cost will be shown to be \$301,039.

The foregoing statements of distances and costs do not include service for "special" offices. There were, at the close of the year, 1,962 of these offices, each with a mail carrier, whose pay from the department is not allowed to exceed the net postal yield of the office. "Special" routes and their carriers are included in the number of contractors and routes as given above.

#### OVERLAND MAIL.

The contract or agreement entered into on the 21st October, 1868, between the Post Office Department and Messrs. Wells, Fargo & Co., for the transportation of the United States mails between the western terminus of the Union Pacific railroad and the eastern terminus of the Central Pacific, for the term of one year from October 1, 1868, or until the two railroads should meet, at the rate of \$1,750,000 per annum, subject to deduction *pro rata* for every section of fifty miles of railroad completed and reported to the department ready to carry the mails, expired on the 9th of May, 1869, the railroads having effected a junction and reported ready to carry mails through on the 10th. When the contract was entered into, it was estimated that the junction would not

be formed before the 31st July, it being supposed that the severity of the weather would compel a suspension of work on the railroads during the months of January, February, and March; and it was further estimated that the cost of the mail service under Wells, Fargo & Co.'s contract would amount to \$670,144. The weather proving unusually mild, however, and the progress of the roads being uninterrupted, their completion was accelerated nearly three months, and hence the cost of the service under the contract with Wells, Fargo & Co. was reduced \$214,339 36 below the estimate. The amount actually paid to them for the whole period from 1st October, 1868, to 9th May, 1869, inclusive, (221 days in all,) after making deductions for completed sections, was \$455,804 64.

The temporary contract entered into on 31st October, 1868, with the same parties, at \$79,000 per annum, for that division of the overland mail route extending from the terminus of the Kansas Pacific railway to Denver, numbered 14,167, and known as the "Smoky Hill route," expired by limitation on the 30th June, 1869. The route had been curtailed in the mean time so as to commence at Cheyenne Wells, being coincident that far with the daily route to Santa Fé, and \$14,149 deducted from the annual pay, for thirty-six miles decrease, reducing the pay to \$64,851 per annum. The route as thus curtailed, and numbered 17,034<sup>a</sup>, was advertised under date of January 6, 1869, to be let from 1st July then next, the department offering to receive proposals until the 7th April and to decide thereon by the 14th of the same month. Under this advertisement several bids were submitted, the lowest being \$34,600 per annum. It appearing, however, from the specific reports of postmasters, that the mail matter conveyed over the route had become considerable, owing to the transmission of the principal mails for Denver over the Union Pacific railroad, after its completion, *via* Cheyenne City, and that there were no post offices whatever between Cheyenne Wells and Denver on route 17,034<sup>a</sup>, the continuance of the service was not deemed to be of sufficient importance to justify the expense it would involve, and the route was consequently left out of operation from 30th June, 1869.

The contract made on the 28th October, 1868, with Wells, Fargo & Co., to carry the mails for one year from October 1, 1868, on route 17,035, from Cheyenne City to Denver, one hundred and two miles, and back, daily, at \$9,970 50 per annum, expired on the 30th September, 1869, and the route was re-let from October 1st, under the above-mentioned advertisement of January 6th, to the same parties, they being the lowest bidders, at \$8,640 per annum. This is all that remains of the old overland mail service, and this will doubtless be superseded in a few months, a railroad between Cheyenne City and Denver being now in rapid course of construction.

## READJUSTMENT OF PAY ON RAILROAD ROUTES.

In anticipation of the close of the contract term in the New England States and the State of New York, and with a view to obtain data upon which to base the readjustment of the rates of pay for the transportation of mails on railroad routes in those States for the new term commencing July 1, 1869, circulars were sent out in February last to the proprietors of all such routes, requesting them to weigh the mails they conveyed for thirty days from the 1st March, and report the result to the department, and to furnish, also, descriptions of the accommodations provided for mails and agents, together with statements showing the number of times per week the mails were conveyed in each direction. The information obtained in answer to this call is comprised in table E of the report of the Second Assistant Postmaster General, hereto appended, in which there are also embraced returns from a number of routes in other States, made at various times since the publication of a similar table in the annual report for 1867. It is the purpose of the department in the future to make a similar call upon the proprietors of railroad routes near the close of the contract term in each of the four contract sections into which the country is divided, so that the readjustment of pay in every case may be made upon new and corrected returns.

The rates heretofore paid for railroad mail service in New England and New York have been carefully compared with the returns just received from those States; and in every instance in which the amount and character of the service have been found to be clearly insufficient to justify the rate allowed, a commensurate deduction has been made. On the other hand, whenever a demand for increased pay has been made which the returns appeared to warrant, such increase has been allowed. Changes have thus been made in the rates of pay on more than fifty railroad routes in that section, comprising over one-third of the whole number. These roads have been classified, and their pay readjusted and established, in strict conformity with the conditions prescribed by law, to wit: "the size of the mails, the speed with which they are conveyed, and the importance of the service." The details of this classification and readjustment appear in table F of the report of the Second Assistant, also hereto appended, which embraces also a number of routes in other States on which changes have been made, on application by the proprietors of the several roads, at different times, since the preparation of the last annual report. On all of these routes together, 78 in number, the former annual pay amounted to \$742,852 63. The annual pay, as readjusted, now amounts to \$803,706 58, showing an excess of the present over the former amount of annual pay of \$60,853 95.

In these tables, (E and F,) as in similar ones heretofore published, the routes are arranged, not by States, but according to the rate of pay

per mile per annum, the highest being first. Each is accompanied by an alphabetical index, for easy reference.

Great complaints have been made by some of the principal railroad companies in relation to the alleged inadequacy of their compensation for carrying the mails. They assert that the rates of their pay were fixed by the act of 3d March, 1845, and have remained unchanged for nearly twenty-five years; and that although the pay thus established was, at the time of the passage of the act, just and ample, it now falls short of what they are fairly entitled to. It cannot be denied that, since the passage of the act of 1845, important changes have taken place, the most conspicuous of which are the following: a large increase in the quantity and weight of mail matter; an additional number of trips per day to meet the necessities of the service; and the introduction of railway post offices, requiring much heavier and more expensive mail cars. These changes have imposed additional duties upon the railroads constituting the great trunk lines, and have largely increased their expenses. In justice to this class of roads, I respectfully recommend a careful revision and readjustment by Congress of railroad compensation, and the establishment of such rates as will be just and equitable to all concerned.

#### POST-ROUTE MAPS.

During the past year, the preparation and publication of the series of post-route maps of the United States have been continued, under the supervision of the Topographer of the department.

The map, in four sheets, of the States of Pennsylvania, New Jersey, Delaware, and Maryland, and of the District of Columbia, having been completed, copies are now being furnished to such postmasters and other agents of the department as the interests of the service require.

The map of the State of Maine, which embraces portions of New Hampshire and the Dominion of Canada, and one sheet of the double-sheet map of the States of Ohio and Indiana, are nearly finished, and will be ready for issue during the coming winter.

The drawings for a double-sheet map of the States of Michigan and Wisconsin have been placed in the hands of the engraver, to be completed next summer. To continue the series as projected, there come next in order the States of Illinois, Iowa, Missouri, and Minnesota.

With a view to the future construction of accurate post-route maps of the States of Kentucky, Tennessee, Virginia, West Virginia, North Carolina, South Carolina, Georgia, and Texas, which have not been covered by the rectangular system of land survey of the general government, nor by sufficiently precise and reliable surveys by the State or local authorities, the Topographer suggests that some provision be made beforehand for the determination of the exact position on the earth's surface of, at least, the most important points in these States; and he inquires whether, in case the State themselves should continue indifferent to the subject, an accurate survey could not be undertaken under the

joint direction of the engineer officers of the army and the astronomers of the Coast Survey and of some of the standard observatories. The subject is worthy of careful consideration.

#### FINES AND DEDUCTIONS.

The amount of fines imposed on contractors, and deductions made from their pay, on account of failures and other delinquencies, during the last year, was \$94,193 81; and the amount remitted was \$43,950 99, leaving the net amount \$50,242 82.

#### MAIL BAGS, LOCKS, AND KEYS.

The number, description, and cost of mail bags, locks, and keys, purchased during the year, will appear in detail by reference to a table annexed. The amount expended for new mail bags of all kinds was \$89,420, or \$31,403 13 more than the amount expended the preceding year. The cost of mail-bag catchers, recently introduced into the service, for delivering and receiving mails from and on railway trains at full speed, was \$1,900. This amount does not appear in the table last mentioned, but is included in the item of mail bags.

#### THROUGH MAILS.

Since the completion of the railroad line to the Pacific, arrangements have been made to have records kept showing the time occupied in the transit of mails from Washington, New York, Boston, Chicago, Cincinnati, and St. Louis to Denver City, Salt Lake City, Sacramento City, and San Francisco, and back. The appendix contains a copy of the circular giving the necessary instructions to postmasters and others. The records of arrivals on the Atlantic side during the month of October have reached the department. They show that mails are carried through from San Francisco to Washington in 6 days, 23 hours, and 15 minutes; to New York, in 6 days, 15 hours, and 20 minutes; to Boston, in 7 days, 4 hours; to Chicago, in 5 days, 7 hours, and 30 minutes; to Cincinnati, in 5 days, 22 hours, and 30 minutes; and to St. Louis, in 5 days, 1 hour, and 30 minutes. The above figures show the time of the shortest trips. The average time was: to Washington, 7 days, 7 hours, and 11 minutes; to New York, 7 days, 2 hours, and 23 minutes; to Boston, 7 days, 19 hours, and 25 minutes; to Chicago, 5 days, 14 hours, and 55 minutes; to Cincinnati, 6 days, 8 hours, and 32 minutes; and to St. Louis, 5 days, 16 hours, and 23 minutes. Compared with the time from San Francisco, the time from Sacramento City is 6 hours and 20 minutes less; from Promontory, 2 days and 10 minutes less; from Salt Lake City, 2 days and 9 hours less; from Denver City, 1 day, 23 hours, and 30 minutes less; and from Omaha City, 4 days, 7 hours, and 30 minutes less—Salt Lake City being distant from the railroad 29 miles, and Denver City 102 miles. Under the old over-

land mail contracts, the time from the Missouri River to Folsom City, 23 miles east of Sacramento City, was 16 days from April 1 to December 1, and 20 days for the remainder of the year.

Mails have been transmitted twice a day each way between New York and New Orleans since the 1st of March last, once over the *Southwestern route*, via Washington, D. C., Lynchburg, Va., and Knoxville, Tenn., and once over the *Western route*, via Louisville, Ky., and Humboldt, Tenn. By the latter route a portion of the trips have been made in shorter time than by the former, the shortest being 78 hours and 30 minutes going south, and 76 hours and 15 minutes going north, while the shortest by the former was 84 hours and 35 minutes going south, and 85 hours and 20 minutes going north. Greater regularity exists on the *Southwestern route*, however, on which the average time from March to September, inclusive, was 89 hours and 29 minutes going south, and 90 hours and 59 minutes going north; while the average on the *Western route* for the same period was 92 hours and 13 minutes going south, and 90 hours and 14 minutes going north. Taking both directions together, there were carried through, from March to September, inclusive, on the *Southwestern route*, 429 mails, at an average speed of 90 hours and 14 minutes; and on the *Western route*, 359 mails, at an average speed of 91 hours and 18 minutes. By comparison with the through-mail tables in the last annual report, it will be seen that the average time on both these routes is sensibly improved.

A greater expedition has recently been obtained between New York and Chicago, one of the three daily trips over the Allentown route (*via* Pittsburg) being made in less than 31 hours each way.

#### SPECIAL AGENTS.

The number of special agents in the employ of the department during the last fiscal year was forty-eight, at an aggregate compensation of \$134,342. Under the impression that this force was excessive, Congress, in the appropriation act for the current year, appropriated \$100,000 "for detecting and preventing mail depredations, and for special agents," and then restricted the action of the department by declaring that "no greater sum shall be paid special agents than is hereby provided." The department, desiring to conform to the law, and at the same time to render the force of special agents as efficient as possible, deemed it necessary to reorganize this branch of the service. The following plan was adopted and promulgated, to take effect July 1, 1869, viz:

The Union is divided into six divisions, which are subdivided into districts.

To each of *five* of these divisions is assigned one special agent, with the designation of "Assistant Superintendent of Railway Mail Service."

These six divisions are as follows:

- I. Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut.
- II. New York, Pennsylvania, New Jersey, Delaware, Maryland, and the Eastern Shore of Virginia.
- III. Virginia, (excluding the Eastern Shore,) North Carolina, South Carolina, Georgia, Florida, Alabama, and Mississippi.



IV. Ohio, West Virginia, Michigan, (excluding the upper peninsula,) Indiana, Kentucky, and Tennessee.

V. Illinois, Iowa, Missouri, Arkansas, Minnesota, Wisconsin, and the upper peninsula of Michigan.

VI. Embraces all that territory west of the 96th meridian, and Louisiana.

The districts of these six divisions are as follows:

*First Division.*—First district, Maine, New Hampshire, and Vermont; second district, Massachusetts, Rhode Island, and Connecticut.

*Second Division.*—First district, New York; second district, Pennsylvania; third district, New Jersey, Delaware, Maryland, and the Eastern Shore of Virginia.

*Third Division.*—First district, Virginia, (excluding the Eastern Shore,) and North Carolina; second district, South Carolina, Georgia, and Florida; third district, Alabama and Mississippi.

*Fourth Division.*—First district, Ohio and West Virginia; second district, Indiana and Michigan, (excluding the upper peninsula;) third district, Kentucky and Tennessee.

*Fifth Division.*—First district, Illinois and Iowa; second district, Minnesota, Wisconsin, and the upper peninsula of Michigan; third district, Missouri and Arkansas.

*Sixth Division.*—First district, Nebraska, Kansas, and Dakota; second district, Colorado, New Mexico, and Arizona; third district, Utah, Wyoming, Montana, and Idaho; fourth district, California and Nevada; fifth district, Oregon and Washington; sixth district, Louisiana and Texas.

To each of the districts in the first five divisions is assigned one special agent with the designation of "*Post Office Inspector.*"

And to each of the districts in the sixth division is assigned one special agent, without any designation other than that in the original text of his letter of appointment.

It will be observed that the foregoing arrangement divides the force in manner following: Five assistant superintendents of railway mail service, charged with the supervision of the transportation of the mails; fourteen inspectors, authorized to inquire into the management and expenditures of post offices; and six agents with general powers in the sixth division. In addition to the foregoing, the department has in its service one agent engaged on the free delivery, one agent on the money-order system, and eight agents in detecting and preventing mail depredations; making in all thirty-five men, all of whom are under the general direction of a Superintendent of Railway Mail Service, appointed under the act of March 3, 1865, section 5. By this division of labor it is believed that much more satisfactory results will be attained. But as the field of operations of these officers has been much enlarged, and their duties made more specific and exacting, it is respectfully submitted that the amount of the appropriation for the current year is too small to meet the wants of the service. It is therefore recommended either that the appropriation be increased to \$125,000 per annum, or that the department be permitted to charge the expense of the five "Assistant Superintendents of Railway Mail Service" to the transportation fund, and the expense of the special agents in charge of the free delivery and of the money-order system to the account of the free delivery and the money-order system, respectively. It is further submitted that a sum should be placed at the disposal of the department to defray the expenses of such temporary special agents as the extraordinary emergencies of the service may demand.

## RAILWAY POST OFFICES.

On the 30th June last, there were in operation 37 lines of railway post offices, extending in the aggregate over 7,201 miles of railroad and steamboat lines—being an increase of 3 lines and 182 miles of service over the year 1868. The number of clerks employed during the last year was 324, at an annual cost of \$384,300. During the previous year, the number of clerks employed was 297, and the amount expended in compensation \$329,700. No increase was made during the last year in the twice-daily service, except by interchangeable pouches between the principal post offices and between the several lines. The railway post office, by reason of the additional facilities it affords in mailing important letters up to the moment of the departure of the trains, and in receiving, assorting, and distributing the mails during their transit, thus saving many hours, and in some instances days, in the communication between important points, has become an essential part of the service. It is in fact indispensable, and, as the population and wealth of the country shall increase, it will be necessary to extend it to keep pace with the wants and demands of the people.

A list of railway post office lines in operation on the 30th June, 1869, is appended hereto.

## FOREIGN MAIL SERVICE.

The total number of letters passing between the United States and foreign countries (Canada excepted) during the last year was 12,596,654, of which 6,638,858 were sent from, and 5,957,796 received in, the United States. The increase over the number exchanged in 1868 is 1,468,122. Estimating the number exchanged with the dominion of Canada, of which no accurate account is reported, at 3,000,000, the whole number of letters exchanged in the mails with foreign countries exceeded 15,500,000. The total postages on letters exchanged with foreign countries, estimating the postage on letters to and from Canada at \$350,000, amounted to \$2,014,183 15.

The aggregate amount of postage, inland, sea, and foreign, upon the letter correspondence exchanged with Great Britain and other European countries, during the year 1869, was \$1,503,773 05, being \$202,694 71 less than the postage receipts of the previous fiscal year. The number of letters (single rates) exchanged in the mails with the same countries was 11,428,551, an increase of 1,359,892 over the number exchanged in the previous year. Notwithstanding the recent reductions of postage to all the countries of Europe, except France, amounting in most instances to fifty per cent., the increased correspondence has produced a revenue only twelve per cent. less than that derived from the higher rates of the preceding year.

The postages upon letters sent to European countries exceeded the

postages upon letters received from Europe in the sum of \$44,963 13, the excess of letters sent being about six per cent. This very small excess of postage on correspondence sent over that on correspondence received is a convincing argument in favor of simplifying our postal arrangements with other countries by dispensing with the present complicated and expensive international postage accounts. This can be readily accomplished by adopting the rule of compulsory prepayment of postage, and by providing (upon the general principle, now well established, that every letter brings a reply) that the postages collected on all international correspondence shall belong wholly to the dispatching office; that no charge whatever shall be made at the office of destination in the country wherein the correspondence may be delivered; and that in all cases the dispatching office shall defray the expense of intermediate transmission. The inconsiderable pecuniary disadvantages which might result to either post department under the practical working of such a system would be more than compensated by the convenience of the arrangement and the abolition of intricate and vexatious accounts. This principle has already been adopted in the conventions with some of the countries with which the United States has direct postal relations, and it is hoped that the post departments of others will also see the propriety of adopting it, as a means of simplifying and promoting international postal exchanges.

The excess of collections in the United States over the postages collected in Europe upon the letter correspondence exchanged with Great Britain, the North German Union, France, Belgium, the Netherlands, Switzerland, and Italy, was \$374,924 85, sixty-two per cent. of the entire international postage charges having been collected in this country. This result is owing, mainly, to a failure to prepay postages abroad. The excess of like collections during the previous year was \$474,020 30. These excessive collections of postage in the United States cause heavy balances against this department on settlement of the quarterly accounts with the respective foreign post departments. During the last fiscal year, the aggregate of such balances amounted to \$185,385 07.

The steamship lines employed by this department in the transportation of the mails to Great Britain and the continent of Europe performed four weekly services from New York, a weekly service from Quebec in summer and Portland in winter, and three outward trips from Baltimore, receiving as compensation the sea postages on the mails conveyed.

The earnings of the respective lines amounted to the sum of \$336,207 49, as follows:

The North German Lloyd line, for fifty-two trips from	
New York to Southampton.....	\$80,432 71
The Cunard line, for fifty-two trips from New York to	
Queenstown.....	71,578 08.

The Hamburg-American Packet Company, for fifty-two trips to Southampton, &c., (estimating fourth quarter at \$20,000).....	\$103,839 10
The Inman line, for fifty-two trips from New York to Queenstown .....	74,563 32
The Canadian line, for fifty-two trips to Liverpool.....	5,750 03
The Baltimore and Liverpool Steamship Company, for three trips from Baltimore to Liverpool.....	44 25
<b>Making a total of.....</b>	<b>336,207 49</b>

The cost of the United States transatlantic mail steamship service for the fiscal year 1867 was \$551,338 01; and for the year 1868, \$421,774 44—the reduced rates of sea postage established by the present postal convention with Great Britain having been in operation during the last six months of the year 1868.

The United States postages on the mails conveyed to and from the West Indies amounted to \$88,984 24, and the compensation paid for their transportation was \$69,862 09.

There was also paid to the owners of steamships conveying mails to and from Central America, Mexico, Nova Scotia, &c., under the provisions of the general law limiting the compensation to the postages, the sum of \$12,272 20, making an aggregate expenditure for ocean mail transportation under the general law of \$418,341 78. Adding the special appropriations for the mail steamship service to Japan and China, to Brazil, and to the Hawaiian Islands, which amount to \$725,000, the total cost of the United States ocean mail service for the year 1869 was \$1,143,341 78. The tabular statements in the appendix furnish detailed information of the operations of the foreign mail service during the year.

The appointments of government agents in charge of the United States mails on board of the mail steamers plying between San Francisco, Japan, and China, and between San Francisco and Honolulu, were revoked in the month of April last, and notice was given to the respective steamship companies that thenceforth they would be required to securely transport and safely deliver the mails at each terminal and intermediate port according to the stipulations of their contracts. As the employment of mail agents on board of these steamers appeared to be of little practical benefit, I considered it my duty to discontinue their services. The duties which they discharged are now performed without charge by the pursers of the steamers.

I have not considered it expedient, in the present condition of the service, to establish a general postal agency at Shanghai, with branch agencies at other ports in China and Japan, as authorized by the 7th section of the act of July 27, 1868. The United States consuls at Shanghai and Kanagawa still continue to act, with the consent of the Depart-

ment of State, as resident mail agents at those ports, in connection with their consular duties.

Regular monthly trips have been performed, according to contract, on the United States steamship routes between New York and Rio de Janeiro, (Brazil,) and between San Francisco and Honolulu.

Eleven round trips were performed during the year by the steamers of the Japan and China line, the regular monthly service required by law having been commenced in the month of August, 1868, and subsequently maintained without interruption. The attention of Congress was called by my predecessor, in his last annual report, to the expediency of providing for an increase of service on this line on the completion of the Pacific railway across our continent. This great national highway has been opened during the last year to the Pacific Ocean, placing San Francisco in direct, speedy, and certain communication by rail with the commercial cities of the Atlantic seaboard; and the period is not distant when our rapidly increasing commerce with Japan and China will require the employment of additional steamers on this route. The question of providing for an increase of mail service to semi-monthly, on such terms as will, under the circumstances, be just, as well to the contractors as to the government, is respectfully submitted to the discretion of Congress.

The necessity of some legislation to encourage the re-establishment of American lines of transatlantic steamers is apparent from the fact that, of the many lines of steamships now profitably employed in the carrying trade between this country and Europe, there is not one steamer bearing the American flag. It is humiliating to our national pride to find not only that our vast commerce with Europe is monopolized by foreign steamship lines, but that even the mails we send abroad have to be transported under the protection of foreign governments.

The experience of the last few years clearly demonstrates that sailing vessels can no longer successfully compete in the carrying trade of the world with vessels propelled by steam. This fact admitted, it follows that some legislation is required to encourage American ocean steam navigation, and to revive the great maritime interests of the country. The subject occupied the attention of Congress at the last session; but the multiplicity of steamship projects presented, and the rivalry of opposing interests seeking government aid, prevented any appropriate action.

Propositions have been made to this department by parties represented as responsible and experienced in ocean steam navigation to contract for the conveyance of the United States mails to European ports by American steamships of the first class and of equal speed to the fastest steamers now carrying the mails, at a compensation limited to the amount of sea postages, upon condition that the department should bind itself for a long term of years, *subject to the approval of Congress*; and some have offered in this connection to fix the rate of sea

postage at two cents per half ounce. But, as the general law relating to contracts for carrying the mails on the seas expressly limits the authority of the department to a term not exceeding two years, I have declined all proposals to contract for a longer time, not desiring in any manner to forestall the action of Congress upon a subject of so much importance.

If it be possible, I should greatly prefer such legislation by Congress as would so far revive and encourage our own ship-building interests as to enable American builders and mechanics to enter into active competition in the construction and equipment of steam vessels with the builders and mechanics of other countries. If, however, it should be decided that this cannot be done, then I would respectfully suggest the propriety of so modifying our navigation laws as to authorize the issuing of American registers to such foreign-built steamers as may be purchased and employed by citizens of the United States under contracts with this department in the transportation of our foreign mails.

Should either of these recommendations be adopted, and authority given to the Postmaster General to contract for the conveyance of mails by sea for a term of ten or fifteen years, at a compensation not to exceed the ocean postages, it is believed that lines of first-class American steamers would be speedily established for the conveyance of our mails and freights across the Atlantic, and that thereby great benefits would inure to the commercial and other interests of the United States.

An additional article to our postal conventions with Switzerland and Italy, respectively, has been executed, which modifies the rule of accounting on unpaid and insufficiently prepaid correspondence exchanged in the mails with each of those countries. Copies thereof are annexed.

The efforts of this department to conclude a postal convention with Brazil, regulating the reciprocal exchange of correspondence with that empire by means of the subsidized line of mail steamships plying between New York and Rio de Janeiro, have not been attended with the success anticipated. A modified *projet* of articles has recently been submitted by this department, through the Department of State, which it is hoped will be accepted by the government of Brazil.

A proposition is under consideration for a postal convention establishing a direct exchange of correspondence between the United States and the Argentine Republic.

Preliminary steps have also been taken towards a direct postal arrangement with Denmark, including Sweden and Norway, with the purpose of reducing the existing postage rates on correspondence exchanged between the United States and those countries.

The present postal convention between the United States and France was concluded on March 2, 1857. It establishes a combined rate of international postage at fifteen cents per quarter ounce, equal to thirty cents per half ounce, a higher rate than is charged upon correspondence

between the United States and any other civilized nation with which we are in direct communication. It is incomplete in that it makes no provision for the exchange of mailable articles other than letters. It adopts an exceptional standard weight of one-quarter ounce for the single rate of letters, differing from the uniform standard of one-half ounce established with all other countries. The postage charge for letters is exorbitantly high, compared with the cheaper rates recently adopted with all other countries of Europe. In its details and practical operation it is very unequal, giving unfair advantages to the French post department, and fails utterly to meet the advanced opinions of the times in regard to international postal intercourse, and to afford the public benefits that postal conventions are intended to secure.

The necessity of a revision of this convention on a more liberal basis was made known to the general post department of France in December, 1866; and on the 4th of February, 1867, official intelligence was communicated by the French minister, M. Berthemy, through the Department of State, that the government of the Emperor was also of the belief that a new convention would be of advantage to the two countries, accompanied with the request that a special delegate or employé of the American post office should be sent to Paris with complete instructions to confer with the Director General of the French Posts upon the conditions of agreement between the two post departments. This invitation was promptly accepted, and Hon. John A. Kasson was appointed on the 5th April, 1867, a special commissioner on behalf of this department to proceed to Paris, and there negotiate and arrange the conditions of a more liberal postal convention, subject to the approval of the Postmaster General of the United States. Mr. Kasson left immediately for Paris, and entered upon the negotiations intrusted to him. He remained in that city several months, laboring faithfully and perseveringly to accomplish the object of his mission, but failed to obtain any amelioration of our postal relations with France, although he succeeded, during the same visit to Europe, in negotiating liberal postal conventions, establishing greatly reduced postage rates, with Great Britain, the North German Union, Belgium, the Netherlands, Switzerland, and Italy.

The apparent unwillingness of the French post department to modify the provisions of the present convention in conformity with the more liberal principles adopted in our postal intercourse with other countries of Europe induced my predecessor, on the 8th of January, 1868, to give the required notice to terminate that convention on the 1st February, 1869, and at the same time to request the French post department to send an agent to Washington authorized to enter upon the negotiation of a new convention. This invitation was declined by the French administration. Afterwards, on the application of the French office, the duration of the convention was prolonged until the 1st of April, 1869.

Soon after assuming charge of the department, I learned that no progress had been made in adjusting the basis of a new convention, and

that, unless a second extension could be had, the subsisting convention would expire before any further action could be taken for its reformation. Impelled by an earnest desire to maintain our direct postal relations with France on an improved basis of liberality, mutually advantageous to the public of both countries, I proposed to the French office, under date of 10th March, to further prolong the duration of the present convention until 1st January, 1870. A letter from the French Director General of Posts, dated 3d March, making the same proposition, crossed my own in transit, and was received at this department on the 14th of the same month. A second extension having been thus effected, I immediately reopened negotiations. Being fully satisfied, from an exchange of letters, that there was no prospect of harmonizing the conflicting views and propositions of the two departments through the ordinary medium of epistolary correspondence, I decided to make another effort to adjust the points of disagreement by direct personal negotiations at Paris. I very fortunately had it in my power to avail myself of the services of Hon. Alexander Ramsey, chairman of the Senate Committee on Post Offices and Post Roads, who, at my solicitation, consented to undertake these difficult negotiations. He was accordingly designated a special commissioner on behalf of this department to negotiate with the general post office at Paris the basis of a new postal convention with France.

Governor Ramsey arrived in Paris on the 23d July, 1869, and immediately entered upon the important duties intrusted to him. Since that date several proposals and counter proposals have been submitted and considered, personal interviews had with the French Director General of Posts and the Minister of Finance, for mutual interchange of opinions and explanations, and yet no progress has been made towards the conclusion of a new convention, on account of the persistent adherence of the French postal administration to impossible propositions and conditions, so illiberal and unjust towards the United States that considerations of national self-respect would alone forbid their acceptance by this department. The negotiations of Governor Ramsey at Paris, which have been conducted with great ability, patience, and perseverance on his part, have, I regret to state, been terminated, after three months' efforts, without any reasonable hope of an agreement on the leading provisions of the proposed new arrangement; and it seems probable, therefore, that our direct postal relations with France will cease on the 1st January next.

Passing without comment other unreasonable and illiberal propositions, the following may be mentioned as among the impossible conditions persistently insisted upon by the French post department:

*First.* That France shall have a *double share* of the interior rates of postage—a demand so extraordinary and so manifestly unjust as to require no argument to demonstrate its unfairness, in view of the well-known fact that the expense of our interior service is not only greater



than that of France, but its extent vastly larger, embracing a territory (exclusive of Alaska) fourteen times greater than that of France.

*Second.* That the United States shall establish a line of mail packets between New York and Brest for the performance of a regular semi-monthly service similar to the service performed by the subsidized line of French packets between these ports, or else pay the entire expense of the sea and British inland transportation of all mails conveyed by way of England, which constitute at present more than four-fifths of the entire correspondence exchanged with France.

A postal convention has been concluded with Great Britain, establishing a reciprocal exchange of correspondence between the United States and the colony of British Honduras, a copy of which is annexed.

The provisions of our postal convention with the colony of Hong Kong have been extended to book-packets, subject to the same conditions as newspapers and *prices-current*, and to the regulations governing the transmission of book-packets between this country and the United Kingdom.

Negotiations have also been opened with the British post department for a further reduction of the international letter postage between the United States and Great Britain. The existing postal convention with Great Britain, which went into operation on the 1st January, 1868, established a reduced international letter rate of sixpence, (twelve cents,) and provided that the question of a further reduction should be considered at the expiration of twelve months from that date. Agreeing with the very general expression of opinion on both sides of the Atlantic in favor of the establishment of ocean penny postage between the two countries, I made a proposal, under date of 8th October last, to the general post office in London, to further reduce the postage on letters to threepence (six cents) on the 1st January, 1870, of which one penny (two cents) should be the sea postage, and one penny (two cents) the inland postage of each country. Intelligence has lately been communicated by the British minister, through the Department of State, of the readiness of the British government to reduce the single rate of postage for prepaid letters to the sum above mentioned. It may, therefore, be safely announced that this important measure, so long and so earnestly desired by the people of the United States and the United Kingdom, as a means of further promoting their mutual prosperity and happiness, has been virtually accomplished.

The contrast between the policies of the postal administrations of Great Britain and France is most striking. Considering the probabilities of the future, I cannot refrain from an expression, on the one hand, of my great satisfaction that, on the 1st January next, the people of the United States and Great Britain will be enabled to enjoy more cordial and intimate relations by means of their enlarged postal facilities, and, on the other, of my profound regret that, on the same day, all direct postal communication between the United States and France will be

because of the unwillingness of the latter to unite in any arrangement that will afford equal facilities and reciprocal advantages to both contracting parties, and at the same time keep pace with the liberal sentiments of the day in relation to postal intercourse between enterprising and enlightened nations.

#### APPOINTMENTS.

The report of the appointment office shows the following:

Number of post offices established during the year .....	1, 653
Number discontinued.....	1, 028
Increase.....	625
Number in operation on June 30, 1868 .....	26, 481
Number in operation on June 30, 1869.....	27, 106
Number of offices to be filled by appointments of the President .....	980
Number to be filled by appointments of the Postmaster General.....	26, 126

Appointments were made during the year—

On resignations.....	3, 994
On removals.....	2, 691
On changes of names and sites .....	166
On deaths of postmasters .....	230
On establishment of new offices .....	1, 653

Total appointments..... 8, 734

Number of cases acted upon during the year..... 9, 996

The number and aggregate compensation of special agents, route agents, mail-route messengers, postal railway clerks, local agents, and baggage-masters in service during the year ended June 30, 1869, were:

48 special agents.....	\$134, 342
503 route agents .....	494, 160
74 mail-route messengers .....	40, 350
324 postal railway clerks.....	384, 300
67 local agents .....	45, 090
161 baggage-masters .....	9, 660

Total..... 1, 107, 902

Full particulars of the operations of the appointment office are exhibited in the appendix.

## FREE DELIVERY.

The free delivery system has been in operation during the year in forty-eight of the principal cities, with the following aggregate results :

Number of letter carriers .....	1, 246
Mail letters delivered.....	80, 071, 052
Local letters delivered.....	18, 380, 627
Newspapers delivered .....	21, 954, 898
Letters collected .....	89, 885, 009
Amount paid carriers, including incidental expenses....	\$1, 183, 915 31
Postage on local matter.....	666, 167 42

This shows an increase over last year of—

Letter carriers .....	48
Mail letters delivered.....	15, 730, 566
Local letters delivered.....	4, 298, 721
Newspapers delivered .....	5, 044, 183
Letters collected .....	26, 720, 384
Amount paid carriers, including incidental expenses....	\$187, 980 72
Postages on local matter.....	190, 185 06

The free delivery system, though rapidly improving, has not attained such a degree of efficiency as to command the universal confidence of the public. Much can yet be done to promote the celerity and precision of the collection and delivery of mail matter, and thereby commend it to popular favor. For some time to come, the attention of the department should be directed to the attainment of more thorough organization and more satisfactory results in the cities wherein the system has already been established, rather than in seeking its further extension.

## DEAD LETTERS.

The number of the several classes of letters, domestic and foreign, received at the dead letter office during the last fiscal year was as follows :

Domestic letters, classed as—	-
Ordinary .....	2, 837, 472
Drop.....	450, 000
Unmailable.....	361, 984
Hotel.....	26, 528
Fictitious .....	17, 417
Registered.....	3, 672
Returned from foreign countries .....	62, 603
Total domestic letters.....	3, 759, 676
Foreign letters.....	193, 186

Whole number..... 3, 952, 862

Of domestic letters, 18,227 contained money amounting to \$94,710 95, in sums of one dollar and upwards. Of these, 16,187, containing \$82,570 90, were delivered to the writers or persons addressed, and 2,040, containing \$12,140 05, were filed for reclamation by the owners or were outstanding. The number inclosing sums less than one dollar was 14,323, containing \$3,472 77, of which 11,566, containing \$2,788 29, were delivered to the writers, and 2,757, containing \$684 48, were filed for reclamation by the owners.

The number of letters containing bank checks, drafts, deeds, &c., was 16,925, of the nominal value of \$3,011,354 71, of which 15,286, of the nominal value of \$2,799,114 51, were delivered to the owners, and 1,639, of the nominal value of \$212,240 20, were outstanding or were filed for reclamation.

The number of letters and packages containing jewelry, books, and other property was 9,071, of which 6,337 were delivered and 2,734 were filed for reclamation. The number containing photographs, postage stamps, and articles of small value was 114,185, of which 103,529 were delivered and 10,656 were filed for reclamation or destroyed.

The number of letters classed as ordinary domestic, without inclosures, remailed to the writers, was 2,398,252, of which 2,003,524 were delivered and 394,728 were returned to the office and destroyed. The number of letters not signed by the writers, illegible, or containing circulars, &c., and consequently destroyed, was 1,188,693.

Of the unmailable letters, 286,307 were detained for postage, not being prepaid as required by law. They were either wholly unpaid, not prepaid one full rate, or were stamped with illegal or revenue stamps; 70,429 were misdirected, the post office, State, or some necessary part of the address being omitted; 2,678 had no address whatever, and 2,570 were addressed to places where there was no mail service.

The number of applications for dead letters was 5,763, and in 1,266 cases the letters were found and forwarded to their owners.

The amounts deposited in the treasury were:

For unclaimed dead letter money.....	\$14, 585 63
For proceeds of sales of waste paper .....	2, 067 05
Total .....	16, 652 68

The largely increased use of stamped envelopes bearing "return requests," that is, requests that they be returned to the writers after a stated number of days, has operated to decrease in a considerable degree the number of dead letters. While the number and value of money letters received are about the same as of those of the preceding year, the percentage of decrease in letters containing other valuables ranges as follows:

	Per cent.
Letters containing bills of exchange, drafts, checks, deeds, and other valuable papers.....	19.85

	Per cent.
Letters containing jewelry and other property .....	53 .94
Letters containing articles of small value, postage stamps, photographs, &c .....	9 .66
Ordinary letters without inclosures .....	11 .92
Ordinary letters and circulars destroyed .....	74 .14

These figures demonstrate conclusively the great utility of the "return request" system. If generally used, the force now employed in the dead letter office could be largely reduced, if not altogether dispensed with. The department would thus be relieved from a very heavy expense, while, at the same time, the vexation and loss to correspondents caused by the delay and uncertainty incident to the present system would be almost entirely obviated. At first it was required that there should be a formal request, printed or written on the envelope, for the return of the letter to the writer, if unclaimed. For the greater convenience of the public, it is now provided by law that any writer of a letter on which the postage is prepaid may secure a return thereof, without additional postage, after remaining uncalled for thirty days, by merely indorsing his name and address thereon. This appearing to be the simplest expedient that can be devised, compatible with safety and accuracy, the department urges its universal adoption, with a caution, however, that every writer should indorse his own address, and not trust to the business card of a hotel or firm with which he is not connected. Letters returned to one address cannot be remailed, even if the residence of the writer be known, without additional postage.

#### POSTAL MONEY-ORDER SYSTEM.

The whole number of money-order post offices in operation during the last fiscal year was 1,468. Two of these, Roxbury, Mass., and Fort Leavenworth, Kan., were discontinued, circumstances having rendered them unnecessary; and 219 new money-order offices were established July 12, 1869, making the present whole number 1,685.

The number of orders issued during the year was	
1,264,143, of the aggregate value of .....	\$24,848,058 93
The number paid was 1,248,874, amount-	
ing in value to .....	\$24,447,376 66
To which should be added the amount	
of orders repaid to purchasers .....	206,746 80
	<hr/>
	24,654,123 46
Excess of issues over payments .....	193,935 47

The amount received by postmasters as fees for the issue of orders was \$176,190 90. During the previous fiscal year, ended June 30, 1868,  
48 Ab

the aggregate amount of orders issued was \$16,197,858 47; of orders paid and repaid, \$16,118,537 03; and of fees, \$124,487.

It appears, upon comparison of these sums with the corresponding transactions of the last fiscal year, as above stated, that there has been an increase over the year 1868 of \$8,650,200 46, or of 53 $\frac{3}{4}$  per cent., in the amount of issues; of \$8,535,586 43, or of 53 per cent., in the amount of payments; and of \$51,703 90, or of 41 $\frac{1}{2}$  per cent., in the amount of fees received. The smaller percentage of increase in the fees, as compared with the issues, is to be attributed to the fact that by the act of July 27, 1868, the fees for issuing money-orders were diminished. Before that time the fee for an order not exceeding twenty dollars was ten cents, and for an order exceeding twenty dollars twenty-five cents; but by the act last mentioned the fee for an order for one dollar or any sum not exceeding twenty dollars was fixed at ten cents; for an order exceeding twenty dollars and not exceeding thirty dollars, at fifteen cents; for an order exceeding thirty dollars and not exceeding forty dollars, at twenty cents; and for an order exceeding forty dollars, at twenty-five cents. No change was made in the maximum amount for which an order can be issued, which is limited to fifty dollars.

The average amount of the money-orders issued during the last year was \$19 65; during the year 1868 it was \$19 47; and during the year 1867 it was \$19 45—showing that there has been but a slight variation in this amount for the last three years.

The tendency of capital towards the centers of trade and commerce is well illustrated by the operations of the money-order system. The smaller offices almost invariably issue more orders than they pay, while at the larger ones the payments largely exceed the issues. Upon a comparison of the money-order business in the new States with that of the older States, a like condition of things will be found to exist. For example: In California, which has 51 money-order offices, the number of money-orders issued was 30,355, amounting to \$1,034,789 54; the number paid was 8,688, amounting to \$345,574 67. In Massachusetts, which has 54 offices, the number of orders issued was 45,927, of the aggregate amount of \$963,539 25; the number paid was 142,545, amounting to \$2,270,967 45. In the city of New York, the payments during the year were \$3,062,805 32, while the issues were but \$513,290 89.

The whole number of duplicate orders for the fiscal year 1869 was 5,530. Of these, 5,461 were issued to replace originals lost in the mails or otherwise; 56 were in lieu of orders rendered invalid because not presented for payment until more than one year after date, and 13 were in lieu of orders made invalid by more than one indorsement.

During the previous year, 3,873 duplicates were issued. There has been, therefore, an increase during the last year of 1,657, or nearly 43 per cent., in the number of duplicates, which is, however, ten per cent. less than the ratio of increase in the orders issued.

The receipts and expenditures during the last fiscal year, as adjusted and reported by the Auditor, were as follows, viz:

Fees received for money-orders issued.....	\$176,190 90
Amount received for premium on drafts.....	56 97
	<hr/>
	176,247 87
Commissions to postmasters and allowances for clerk hire.....	\$101,062 19
Allowances for remittances lost in transmis- sion by mail.....	5,797 00
Incidental expenses for stationery and fixtures	3,834 81
	<hr/>
	110,694 00
Excess of receipts over expenditures, being the amount of profit to the department from money-order business.....	65,553 87
	<hr/> <hr/>

The sum of \$16,392,818 13, being surplus funds which had accumulated at the smaller offices in excess of what was required to meet payments, was transmitted, by means of either national bank drafts or registered packages, to first class offices used as depositories. The loss by registered packages during the year amounted to \$3,186 84, of which the sum of \$532 was allowed, before the end of the year, to postmasters who had remitted the same; the sum of \$823 84 was allowed after the close of the year, and is not, therefore, included in the present annual statement of expenditures, but will be entered in the next report; and the remaining sum of \$1,831 is covered by claims still pending. The total of allowances made during the year for lost remittances was \$5,797; but of this the sum of \$5,265 was on account of five lost remittances sent by the postmaster at Austin, Texas, to the postmaster at New Orleans, Louisiana, in the first quarter of 1868, which were stolen in the office of the latter, but credit for which was not allowed to the remitting postmaster until after the commencement of the last fiscal year. Hence this allowance constitutes a part of the expenditures of the year 1869, and is included in the above statement thereof.

In the transmission of these surplus funds in registered packages by mail, the department, in consideration of the fees received from the sale of orders, assumes the risk of loss. Such losses, however, rarely occur in any but sparsely settled localities, that have not yet entirely recovered from the effects of violence and disorder during the rebellion.

During the year, payment of six money-orders was obtained fraudulently by forgery of the payee's signature, or by means of false pretenses. In four of these cases, the amount of the order was refunded to the remitter by the issuing postmaster, in compliance with instructions from the department. In one, the postmaster who had erroneously paid the

order was directed to pay a like sum to the true payee. In the remaining case, the person who improperly obtained payment of the order was compelled to pay over the amount thereof to the rightful owner.

The transfers made by postmasters from the postage to the money-order account, for the purpose of meeting orders presented for payment, amounted to \$1,326,077 41, and the transfers from the money-order to the postage account to \$1,461,078 77, leaving at the close of the year a balance in favor of the latter account of \$135,001 36.

I cannot better illustrate the great success and rapid extension of the domestic money-order system than by a presentation of its operations from its establishment on the 1st November, 1864, to the present time, a summary of which is contained in the following table:

	1865.	1866.	1867.	1868.	1869.
No. of money-order offices.....	141	473	832	1,223	1,462
Issues.....	\$1,360,122 52	\$3,977,259 28	\$9,229,327 72	\$16,197,858 47	\$24,642,058 93
Payments.....	1,313,577 08	3,903,890 22	9,071,940 73	16,118,537 03	24,654,123 46
Receipts from fees..	11,536 40	35,803 06	70,889 57	124,503 19	176,247 27
Expenses.....	18,584 37	28,664 27	44,628 96	70,345 04	110,694 00
Deficit.....	7,047 97				
Surplus.....		7,138 79	26,260 61	54,158 15	65,553 27

The great and constant increase, from year to year, in the transactions of the money-order system, clearly indicates its utility as a safe, convenient, and expeditious mode of making small remittances, and shows that it is steadily increasing in favor with the public, as practical experience demonstrates its advantages. I regard it as thoroughly established, and recommend its universal use by the people wherever practicable.

With a view to its further efficiency, I respectfully recommend additional legislation to authorize its extension to the stations, or sub-post offices, in the large cities. This cannot be done at present, because the postmaster, who has the control and supervision of subordinate stations, is not empowered by law to issue money orders payable by himself or by his assistants. In the opinion of the department, the establishment of the money-order business at stations would be a substantial advantage, as well as a great convenience, to residents in their vicinity. They would thus be enabled to purchase orders and receive payments without being compelled to resort to the main office. They would furthermore be furnished with a convenient and secure mode of transmitting small sums of money from one part of the city to another. This arrangement would not only tend to exclude money from local letters, but would facilitate the transaction of business at the main office, by relieving it, to some extent, of a constantly increasing crowd of applicants for the purchase or payment of orders. It has been for years in successful operation in the large cities of other countries, and there appears to be no valid reason against its introduction here.



Detailed regulations for the execution of the convention of October 12, 1867, for an exchange of postal orders between the United States and Switzerland, were finally agreed upon and signed at Washington July 2, 1869, by the Postmaster General, under the authority given by the act of July 27, 1868, and at Berne on the 26th July, 1869, by the chief of the federal post department of Switzerland. This first attempt to establish an international money-order system by this department was put into operation, by mutual agreement, on the 1st September, 1869, and, notwithstanding frequent and considerable fluctuations in the value of currency, it has been conducted without difficulty, and thus far has worked satisfactorily in all its details. The number of offices at present authorized to issue orders for sums to be remitted to Switzerland, and to pay orders for sums remitted from that country, is 150. The amount of orders remitted from this country to Switzerland from the 1st September to the 16th October was \$2,619 63, gold value, equivalent to \$3,515 97 in our currency at the time of transmission; and the amount of orders sent during the same time to the United States was \$3,191 in gold, or \$4,200 20 in currency. A copy of the convention, with the detailed regulations, and of the "instructions relative to the international system" issued to postmasters by this department, will be found in the appendix.

#### MISCELLANEOUS.

When I accepted at your hands the position of Postmaster General, I propounded to myself two questions: How can the postal service of the country be made most efficient? and, How can it be relieved from the heavy deficiencies annually charged against it? Knowing it to be your desire that the department should be restored to a self-sustaining condition as rapidly as a faithful discharge of its duties would permit, I have diligently sought the true answers to the above questions. As far as lay in my power, during my short administration, I have reduced the expenditures and increased the revenues of the department; but, notwithstanding my efforts, I found myself, at the end of the fiscal year, confronted with a deficit of \$5,353,620 80. Though this amount is less than the deficit provided for by appropriations, it is yet large enough to stimulate me to inquire carefully into the causes of such enormous arrears.

The principal causes operating to prevent the department from becoming self-sustaining are three, to-wit:

- 1st. The depreciation of the paper currency.
- 2d. Unpaid postages on printed matter.
- 3d. The franking privilege.

The first of these is temporary, and will, in a short time, it is hoped, cease to operate. While it continues, however, it greatly affects the proportion between the receipts and expenditures of the department. The

truth of this will be admitted when it is stated that the postages are fixed by law, and remain the same nominally, no matter what may be the fluctuations in the value of the currency; while, on the other hand, all contracts made by the department, except those for railroad transportation, are based on current rates, whatever they may be. Hence, when paper currency is depreciated, the postages are reduced in effect by the exact amount of the depreciation; so that, when gold is quoted at 133½, the single rate of letter postage is no longer three cents, but, in reality, only two-and-a-quarter cents.

Again, the department is defrauded out of a large amount of postage on newspapers by parties who, while professing to be sending out papers from known offices of publication to regular and *bona fide* subscribers, are, in fact, loading the mails with "specimen" papers and mere business circulars, disguised in the form of newspapers. The act of March 3, 1863, and the regulations made in pursuance thereof, require that all such matter, if sworn through the mailing office, shall be sent to the office of delivery, and that the postages, whether charged at newspaper rates or at letter rates by way of fine for fraud, shall be collected by the office of delivery. If not paid for and delivered, it often happens that no other disposition of this matter can be made than to return it to the mailing office for the prosecution of the offender. The double transit thus encouraged is frequently attended with no result, except that the matter is left in the office and ultimately sold for waste paper. For this mischief there is but one adequate remedy, and that is, to require prepayment on all printed matter. A due regard to the convenience of the publishers of newspapers would require that postage on newspapers should be charged according to the weight of packages. To accomplish this reform, a considerable reduction on present rates might be conceded by the department. To make the remedy of prepayment complete, it would be necessary, furthermore, to confer ample power on postmasters at mailing offices to open and inspect suspected packages of newspapers, and to impose upon them, if found to be vitiated by fraud, full letter postage, to be paid invariably in advance. This summary proceeding should not relieve the offender from liability to prosecution and punishment by the imposition of the fine already provided by law.

The foregoing are evils which, doubtless, ought to be corrected. It is possible, however, for the department to endure them, and yet retain a fair degree of efficiency. But the remaining cause of complaint has become intolerable, and must be removed, if the department is to be saved from utter demoralization. The franking privilege has grown to be an abuse so monstrous that it now threatens the very life of the service.

The post office was established in Great Britain to promote "trade and commerce." If its purpose is so comprehensive under a monarchy, how much more should it be made to contribute to the general good in a republic! Our early legislation on this subject breathes the most generous spirit throughout. The convention of 1787, seeing the impotency of the

post office establishment under the confederation, and anxious to provide for the future necessities of the people, enlarged the power of Congress so as to authorize that body to establish "post routes" as well as "post offices," and thus granted to the national legislature full and absolute control over the whole subject of the mails. The United States, having assumed the exercise of the exclusive power thus conferred, designated the Post Office Department as the sole agent of government in postal matters, and, to make its authority more complete, prohibited all private individuals, under heavy penalties, from interfering with its duties. Government has thus become the trustee of the people, and has placed the Post Office Department in direct contact with the people. Under the laws establishing the department, its revenues are not drawn from the public treasury, but are collected directly from all alike, whether high or low, rich or poor, who claim its assistance. Congress having excluded all competition by law, every principle of fair dealing requires that government shall give to the people the most ample and satisfactory recompense for the postage they are obliged to pay. The people expect, as of right they may, that the department will provide for an exchange of correspondence, and for the general dissemination of news, by the most speedy, certain, and secure means that the best and most skillful use of its revenues can procure; and when it fails to fully meet so just an expectation, it falls short of its high duty. The people should be content with no less than the best and cheapest service; and government, having undertaken the duty of providing for their wants in this respect, and prevented all others from attempting to do so, is bound to see that its agent is provided with every reasonable facility, and that no obstacle susceptible of removal shall continue to stand in the way. Government may, and should, aid the operations of its agent, but it cannot rightfully fetter or burden them. It is clear, therefore, that all special privileges, to whomsoever granted, at the expense of the postal system, are hostile to the established theory upon which that system was founded and has ever since been conducted, and that government itself cannot justly claim such privileges, unless they can be shown to be essential to the discharge of other obligations which are paramount to the duty of providing a cheap and efficient mail service. On the contrary, the enlightened opinion of the age demands that the postal service shall be administered in a spirit of the broadest beneficence, and for the equal advantage of all the people.

Holding these views as to the respective duties of government and the department, I approach the discussion of the franking privilege.

The first objection that presents itself is, that it is a special privilege granted to a favored class at the expense of the many. To this it is no sufficient answer to say that it is exercised solely in the interest of government. If the views already presented are correct, government has no right to appropriate to itself, in part or in whole, the benefits of a trust the administration of which has been committed to it for the *advantage of others*; and, to show that I am not singular in this opinion,

I introduce the following from the admirable report, dated December 3, 1859, of my distinguished predecessor, Hon. Joseph Holt:

"There is no more reason why the Post Office Department, through its contractors, should perform this service (the conveyance of government correspondence) gratuitously for the government, than there is that the steamboats and railroad companies of the country should transport its troops, munitions of war, and stores without compensation. What shall be the character and amount of written or printed documents forwarded on behalf of the government, and under what safeguards against abuse, are questions whose solution belongs exclusively to Congress, and which it is not my purpose at present to discuss. I desire to maintain only the general proposition that whether the written and printed matter be great or small, if it be dispatched in the name and in the interest of the government and by its agents accredited for the purpose, it should be charged with precisely the same rates of postage to which it would have been subjected had it been forwarded by private citizens. The franking privilege, as accorded to various officers of the government, was from the beginning, and still is, an anomaly in the postal system, and in direct conflict with the true theory of its creation. Had this department, like the others, been placed as a charge upon the treasury, and were it essentially a political instrumentality and the property of the nation, it would be as incongruous for it to demand remuneration for its services to the government as it would be for the army and navy to do so; but this is not and never has been its actual or theoretical status. Beyond its political authority in establishing the department and its revisory power over its administration, the relations of the government to it are precisely those of the private citizen. This has been distinctly recognized in the several acts permanently appropriating \$700,000 per annum for the transportation of 'free matter.' This is not, in the language or spirit of the act of 1836, a provision made for the support of the department from its own revenues, but is an appropriation from the public treasury, and is, in its terms, a specific compensation for the transmission of the correspondence and documents connected with the administration of the government."

At this point it may be asked, is it not better for the department that government should make good all deficiencies, rather than simply pay its own postages? To this question the answer should be an emphatic negative. It is not better that government should continue to blindly pay all deficiencies. No policy could be more unwise, both for itself and the department. It is unjust to government, because it thereby assumes to pay postages not only on its own matter, but also on all fraudulent matter that may in its name and under cover of the counterfeit franks of its officials be foisted into the mails—thus doubling the necessary expenditure. It is unjust to the department, because in so dealing with it government does not respond to its call as to the claim of a creditor who has rendered important services, and who, in consid-

eration thereof, is entitled to demand a just compensation, but rather as to an imbecile at its gates appealing in his helplessness for charity. This is a great moral and political wrong. It reduces the department to a state of hopeless dependence, and destroys to a great extent its usefulness. It makes it the packhorse of every other branch of the public service, and compels it to assume, without a question, whatever burdens may be laid upon its back. Work as steadily and as skillfully as they may, the managers of the department know that at the end of the year their accounts must show the inevitable deficiency. Is this just? Will this encourage activity and vigilance? Will this promote economy and efficiency? When the department, with its forty thousand or more employés, has labored to discharge every duty faithfully, has carried its mails ninety-one millions of miles and distributed them according to order among forty millions of people, and, to accomplish this, has fought every inch of its way against frauds which government itself has licensed, it is at least entitled to a respectful recognition of its services, instead of being consigned to everlasting insolvency.

Turning from a subject the consideration of which discourages every man connected with the service, it may be added that there can never be an intelligent administration of the department until an accurate knowledge can be obtained of its resources and liabilities, its revenues and expenditures. This is impossible so long as the franking privilege shall be allowed to obstruct so many of the important avenues to information.

So much for the "special privilege" claimed for government.

But much more can be said in favor of extirpating this evil. The cost of "free matter" has been increasing from year to year, until at last it weighs down the department into continuous insolvency. The additional expense to which it subjects the service is counted by millions, whilst there is provided to meet it only the standing annual appropriation of \$700,000. It was stated ten years ago that the department actually expended, at that time, in the performance of the duties which the franking privilege imposed, little, if anything, short of \$3,000,000. Since that time the expense has largely increased; and I am convinced that it now exceeds the enormous sum of \$5,000,000, of which about one-half is paid on fraudulent matter. That this is not an exaggeration will appear from an examination of the weight of mail matter sent and received at the Washington City post office from the 11th to the 31st January, 1869, as officially reported to the department. By this return it appears that the weight of free letters sent was 15,385 pounds, and of free letters received 16,995 pounds, making for twenty days 32,380 pounds. Hence an estimate for one month is 48,570 pounds, and an aggregate for one year 582,840 pounds. It appears, further, that the weight of public documents for twenty days was 207,891 pounds, making for one month 311,837 pounds, and an aggregate for one year of 3,742,044 pounds. If, therefore, the postage value of this free mat-

be computed at the minimum estimates of \$1 25 per pound for letters and 16 cents per pound for documents, we have a postage value for free letters of \$738,550, and for public documents \$598,727, being an aggregate of \$1,337,277, as indicated by the returns made at a period when the mails were almost entirely relieved of the burden of the heavy departmental reports. All this from the Washington City post office alone.

There is no sound reason for believing that, estimating by weight, the present basis of the postage rates, the proportion of free matter is really *less* than thirty per centum, as ascertained by the careful investigations of a committee of the British Parliament; but, even if we adopt the results of the imperfect information attainable in this country, and assume twenty-five per cent. of the ordinary annual expenditures as the just equivalent for the unpaid services of the Post Office Department, it will appear that the government is bound in honor and justice to appropriate \$5,000,000, instead of \$700,000, for this service.

But the most potential reason of all for the abolition of the franking privilege is found in the incurable abuses and frauds which seem to be inseparable from its exercise. When the number of persons who are clothed with the franking privilege, and of judges who are expected to pass upon the genuineness of franks, is considered, the opportunity for boundless frauds will appear to be almost infinite. The following statement, made up from official sources, will show how far the privilege is extended under existing laws:

*Statement of officials exercising the franking privilege.*

President of the United States and his secretary.....	2
Vice-President.....	1
Members of the Cabinet.....	7
United States senators.....	74
Members of Congress.....	241
Delegates in Congress.....	5
Secretary of Senate and Clerk of House of Representatives....	2
Assistant Secretaries, chief clerk, &c., State Department...	4
Assistant Attorney General and chief clerk.....	2
Assistant Secretary, Commissioners, chief clerk, &c., Interior Department.....	13
Chiefs of bureaus, chief clerk, &c., of Navy Department.....	17
Chiefs of bureaus, chief clerk, &c., of War Department.....	21
Assistant Secretaries, chief clerks, &c., of the Treasury Department.....	42
Assistant Postmasters General, superintendents of foreign mails and money-order system, and chief clerks Post Office Department.....	9

Add internal revenue officers, (assessors and assistant collectors and deputies).....	4, 115
Postmasters on 1st November, 1869.....	27, 378
<b>Total.....</b>	<b>31, 933</b>

In this statement alone is an army of 31,933, who, generally speaking, load the mails at will with whatever matter they please. Some of them, to be sure, are granted only a limited privilege, yet, practically, the restrictions are no longer operative. To these should be added the countless host who address communications to members of Congress, delegates, the Clerk of the House of Representatives, the Secretary of the Senate, heads of departments, heads of bureaus, chief clerks, and all others authorized to frank official matter. How is it possible that any checks whatever can be imposed and enforced against a privilege so widely extended?

But the difficulties increase when it is further considered that the judges who decide upon the genuineness of franks are the entire corps of 27,378 postmasters, scattered all over the country, none of whom, with the utmost diligence, can hope to acquire a tolerable familiarity with the signatures of more than a few of the privileged. In the larger offices, where one hour is the longest time that can be allowed for making up the mails, and where it is necessary to receive and manipulate thousands of letters daily, it is impossible, even if the genuine signatures were known, to make a systematic attempt to exclude matter improperly franked. What is the result? Boundless frauds, of course, without a possibility of detecting them, or even a hope of preventing their further increase. In fact, every frank, counterfeit or genuine, is equally effective, and the extent of the evil is limited only by the wants of those who desire to impose upon the service.

It has been well said that "there is no middle ground between boundless franking and no franking." The truth of this observation will be perfectly manifest to all who will take the trouble to inquire into the subject. With the appliances now at the command of the department, or that can be devised in its interest, it would be a sheer impossibility to eliminate fraud from the exercise of the franking privilege. The privilege itself is the fruitful mother of frauds, and cannot be reformed. Estimating the frauds and evasions perpetrated under cover of this system to be equal in amount to the postages upon matter bearing genuine signatures, (and this is no exaggeration,) the total expense is swelled to an amount equal to the entire deficit of the department for the last fiscal year. Certainly, these stupendous frauds should be prevented; and, as they cannot be separated from the practice of the system, the only remedy is to abolish the system itself.

How is it possible for the department to escape from the slough into which it has been cast, so long as government fastens inextricably about

its neck an ever-increasing weight? Under the frightful burden imposed by the franking privilege, no further reforms can ever be made in the way of reducing domestic postages. An appalling deficit will be a perpetual bar to all progress—all substantial improvement.

In England, the postal service was rescued from pitiable imbecility and inefficiency by the illustrious Rowland Hill and his associates, in 1839; but it was necessary first to destroy this badge of subserviency to rank and class, although in that country it was limited both in the number of privileged persons and in the number of letters each could frank per day. So here, as the initial step to reform, I earnestly urge the total abolition of the franking privilege.

The objection that Congress may desire to print and disseminate public documents should not avail against the appeal of the department for deliverance from the frauds that are fast overwhelming it. If the privilege be abolished, official publications may still be forwarded in the mails. It is only asked that they, like all private matter, may be chargeable with postage. If it be urged that this would prevent or impede the diffusion of the knowledge of public affairs among the people, then it may be said, in reply, that if it be the purpose of Congress to give information to the people, a far more telling expedient may be resorted to. An unburdened press, managed and directed by private enterprise, can do more than Congress to enlighten the masses. Better far that the franking privilege should be abolished, and that all newspapers sent to regular and *bona fide* subscribers from a known office of publication should be carried free, without regard to weight, throughout the United States, as now throughout the country wherein printed and published. The receipts of the department for the last year from "newspapers and pamphlets" amounted to \$778,882 30. This portion of its receipts the department can forego, provided it can be protected against the frauds, more than three times in amount, inseparable from the franking privilege.

It is not proposed or desired that government officials should be personally taxed for the transmission of their public correspondence. It is asked, on the other hand, that every department, every member of Congress, and every other public officer, shall have a liberal allowance of stamps for postages, subject to a proper accountability, and that the sum necessary therefor shall be appropriated out of the general treasury.

Should Congress conform to my recommendations in this respect, I confidently predict that millions will be saved annually to the government, that the department will be at once redeemed from its present condition of chronic bankruptcy, and that the postal service will speedily become the potent coadjutor of the people in developing and adorning our great country.

My predecessor addressed to the Speaker of the House of Representatives a letter, under date of 9th January last, in relation to the postal telegraph, inclosing an elaborate communication on the same subject from Gardiner G. Hubbard, esq., of Boston. This is a subject of great



importance, and deserves the most careful consideration. Several European nations have adopted the system with apparent success. I shall defer making any recommendation concerning it until a greater degree of efficiency can be attained in the service as at present constituted.

The commission heretofore appointed by Congress has submitted to me a codification of the statutes relating to the postal service, which has been referred to a committee of competent gentlemen of long experience in the practical working of the department for careful revision. Their report will be presented to Congress at an early day. The codification, when perfected and adopted by Congress, will greatly facilitate the public business.

Regarding the present as a favorable opportunity, I call the attention of Congress to the penal laws providing for the punishment of offenses against the postal service. The penalties prescribed are in many cases too severe, and, by reason of their apparent harshness, have tended to create a sympathy in the minds of jurors and others in behalf of this class of offenders. Experience has shown that the certainty of punishment, more than its severity, deters from crime. I recommend that the terms of imprisonment in most cases be shortened and graduated, with a more careful regard to the nature and character of the offenses which the framers of the laws designed to punish and prevent.

A reorganization of the department has become a necessity. The recommendation of my predecessor in that regard is cordially approved.

It would be unjust to close this report without making a proper recognition of the important services of the heads of the respective bureaus of the department, including the superintendents of foreign mails and of the money-order office. They are all gentlemen of singular fitness for their several positions. In all things they have come up to the full measure of my expectations, and I esteem myself most fortunate in having secured their valuable aid. In consideration of the ability, integrity, industry, and zeal they have continually exhibited, I earnestly recommend such an increase in their salaries as will afford them the means of a respectable livelihood, their present compensation being inadequate for that purpose.

I have the honor to be, with great respect, your obedient servant,

JNO. A. J. ORESWELL,

*Postmaster General.*

The PRESIDENT.

*Table of mail service for the year ended June 30, 1969, as exhibited by the state of the arrangements at the close of the year.*

(The entire service and pay are set down to the State under which they are numbered, though extending into other States, instead of being divided among the States in which each portion lies.)

States and Territories.	Length of routes.	Annual transportation and cost.										Total annual trans- portation by steam- boat.	Total annual trans- portation by rail- road.	Total annual trans- portation.	Miles.	Dollars.
		By steamboat.			By railroad.			Total annual trans- portation by cer- tainty, and security.								
		Miles.	Dollars.	Secur- ity.	Miles.	Dollars.	Secur- ity.	Miles.	Dollars.	Secur- ity.						
Alabama	4,402	3,921	71,540	63	1,150	571	56,549	1,577,752	28,776	418,800	1,096,614	128,089				
Alaska	4,492	1,430	57,517			423	37,485	549,174	28,776	377,908	1,096,614	128,089				
Arizona	1,916	3,496	135,196	68	3,975	513	67,892	811,492	42,432	377,908	1,096,614	128,089				
Arkansas	2,219	1,076	45,350	100	3,500	1,488	200,801	781,296	99,840	444,028	1,096,614	128,089				
California	2,623	1,076	45,350	100	3,500	1,488	200,801	781,296	99,840	444,028	1,096,614	128,089				
Colorado	532	242	6,091	100	3,500	1,488	200,801	781,296	99,840	444,028	1,096,614	128,089				
Connecticut	1,649	873	94,773	776	107,363	458	103,016	3,335,618	566,071	4,700,729	1,096,614	128,089				
Delaware	17,110	7,474	262,912	6,292	157,163	3,244	504,997	3,335,618	566,071	4,700,729	1,096,614	128,089				
District of Columbia	2,108	1,143	37,622	72	3,873	3,883	117,140	94,956	1,756	1,811,929	1,096,614	128,089				
Florida	13,400	10,623	235,830	94	6,300	2,782	258,787	3,462,697	56,656	4,102,982	1,096,614	128,089				
Georgia	505	306	9,630	199	15,030	199	173,488	803,795	12,480	1,417,617	1,096,614	128,089				
Idaho	3,057	2,258	57,922	40	750	779	173,488	803,795	12,480	1,417,617	1,096,614	128,089				
Illinois	11,503	6,934	132,605	251	8,440	4,418	574,550	101,040	101,040	1,417,617	1,096,614	128,089				
Indiana	4,417	4,025	49,911	250	13,149	1,406	116,613	700,700	156,312	1,417,617	1,096,614	128,089				
Iowa	8,712	6,780	116,456	517	33,225	1,406	116,613	700,700	156,312	1,417,617	1,096,614	128,089				
Kansas	6,713	5,533	75,997	227	3,847	913	62,595	892,398	52,634	1,417,617	1,096,614	128,089				
Kentucky	3,194	1,964	37,401	86	1,324	1,144	96,605	571,414	8,944	1,417,617	1,096,614	128,089				
Louisiana	4,023	2,598	47,975	584	8,670	1,401	115,814	493,568	69,738	1,417,617	1,096,614	128,089				
Maine	5,263	1,772	34,017	3,130	111,600	3,373	98,390	893,382	973,528	1,417,617	1,096,614	128,089				
Maryland	2,002	5,412	113,836	1,708	27,058	1,519	145,889	1,677,820	368,782	1,417,617	1,096,614	128,089				
Massachusetts	7,131	6,052	137,148			1,549	324,500	1,237,754		1,417,617	1,096,614	128,089				
Michigan	7,988	7,405	137,148			2,296	402,364	2,009,268		1,417,617	1,096,614	128,089				
Minnesota	7,773	6,256	100,469	259	12,580	1,528	136,020	1,597,682	91,130	1,417,617	1,096,614	128,089				
Missouri	8,326	7,401	138,618			1,535	40,698	2,300,800		1,417,617	1,096,614	128,089				
Montana	9,495	7,536	148,335	372	8,000	1,361	163,411	1,940,773	144,768	1,417,617	1,096,614	128,089				
Nebraska	6,672	5,721	109,068	106	16,387	1,401	46,569	1,224,528	134,058	1,417,617	1,096,614	128,089				
Nevada	6,400	4,948	86,209	882	40,468	660	69,793	320,188	425,472	1,417,617	1,096,614	128,089				
New Hampshire	6,309	4,163	62,909			1,146	89,306	1,008,400		1,417,617	1,096,614	128,089				
New Jersey	6,527	5,073	110,563	409	34,178	1,045	98,109	608,400	156,936	1,417,617	1,096,614	128,089				
New Mexico	3,857	2,863	66,169			1,092	91,701	735,444		1,417,617	1,096,614	128,089				
New York	7,174	6,965	187,785	88	33,000	88	10,600	1,442,194	172,016	1,417,617	1,096,614	128,089				
North Carolina	4,676	2,898	91,075	1,911	101,500	357	36,160	553,030	518,544	1,417,617	1,096,614	128,089				
North Dakota	11,111	9,221	244,895			778	30,697	2,006,740		1,417,617	1,096,614	128,089				
Ohio	7,384	5,744	144,803	845	62,000	442	42,442	306,500	308,500	1,417,617	1,096,614	128,089				
Oregon						775	106,555	906,936		1,417,617	1,096,614	128,089				

Oregon .....	1,294	975	96,723	319	92,500	545	77,950	137,956	195,528	621,696	973,464	49,313
Kansas .....	4,019	3,474	923,000					1,316,172			1,357,868	320,010
Nevada .....	1,730	1,730	300,456					602,359			602,359	200,486
Nebraska .....	2,540	1,456	38,568					445,464			1,738,813	317,168
New Mexico Territory .....	1,506	1,506	317,322			1,054	278,000	528,944		1,353,331	317,322	47,677
Utah Territory .....	1,215	1,215	47,677					278,408			278,408	114,809
Washington Territory .....	1,618	1,253	99,009					349,548	37,960		257,508	36,355
Colorado Territory .....	1,189	1,189	36,355	365	15,800			196,352			196,352	8,646
Dakota Territory .....	499	499	8,646					100,304			100,304	270,400
Arizona Territory .....	1,380	1,380	142,662					270,400			270,400	142,562
Idaho Territory .....	1,589	1,589	63,300					353,890			353,890	63,300
Montana Territory .....	1,047	1,047	93,454					314,184			314,184	93,454
Total .....	923,731	103,415	4,908,285	90,779	774,536	39,537	4,723,680	44,993,108	4,331,011	41,309,284	90,723,403	10,406,501
Route agents .....												494,160
Postal railway clerks .....												384,300
Mail-route messengers .....												40,350
Local agents .....												45,090
Mail messengers .....												300,765
Baggage-masters in charge of mails .....												10,262
												11,681,728

\* Embraces the steamship service from New York via Panama to San Francisco, Cal., heretofore set down to California.

† The Philadelphia, Wilmington, and Baltimore railroad is under a Maryland number.

‡ This includes steamboat service from Louisville to Cincinnati, Ohio; and from Evansville, Ind., to Cairo, Ill.

GILES A. SMITH,  
Second Assistant Postmaster General.



Nebraska.....	971	13,935	406,121	511	132,750	799,803	146,078
New Mexico Ter.....	159	52,900				52,900	400,181
Utah Ter.....	1,068					550,104	
Washington Ter.....		4,665 <sup>a</sup>				10,400	4,665
Colorado Ter.....	139	3,675				13,530	3,675
Idaho Ter.....	280	4,200				30,056	4,200
Arizona Ter.....	280	16,855				35,360	16,855
Idaho Ter.....	309	49,000				925,570	49,000
Montana Ter.....	691	59,804				215,592	59,804
Total.....	6,638	4,506	1,029,816	3,849	15,732	8,283,670	1,035,342
	4,506		529,800	330	15,732	1,784,592	1,035,342
Increase.....							
Decrease.....	2,132		500,016	3,519	546,554	6,499,078	140,445

<sup>a</sup> Increased number of trips.

<sup>b</sup> Corrected distance.

<sup>c</sup> Route from Stamford to Richfield, 17½ miles, placed under railroad contract; remaining 11½ miles is for discontinued service.

<sup>d</sup> Embraces the steamship service from New York, via Panama, to San Francisco, Cal., heretofore set down to California. Route from White Hall to Route's Point curtailed to end at Plattsburg, saving 25 miles and \$1,200 per annum.

<sup>e</sup> Close of first year of new contract term.

<sup>f</sup> The greater portion of this belongs to railroads, and is caused by the fact that previous reports gave the contract number of trips, whereas returns from the railroad officials, in connection with the reports of weight of mail, &c., show that the number of trips actually performed is greatly in excess of the contract number.

<sup>g</sup> Route from Grafton to Parkersburg transferred to West Virginia.

<sup>h</sup> Occasioned by failures and deaths of contractors, and service having to be re-let at higher pay.

<sup>i</sup> Route from Bridgeport to Decatur curtailed to commence at Guntersville, saving 104 miles, and service between Guntersville and Decatur increased to six times a week. Pay on route from Mobile to Selma increased.

<sup>j</sup> Service on 47½ miles of route from Vicksburg to Meridian reduced to six times a week, and pay to \$75 per mile. Route from York Station, Ala., to Meridian, Miss., 27½ miles, put in operation.

<sup>k</sup> This is owing principally to the fact that the service re-advertised in January, 1888, to go into operation July 1, 1888, was let at a much lower rate of cost than had been provisionally given for it.

<sup>l</sup> Steamship service from New York via Panama to San Francisco, Cal., transferred to New York section.

<sup>m</sup> Number of trips per week reduced.

GILES A. SMITH,  
Second Assistant Postmaster General.

*Statement showing operations and results of foreign mail service for the fiscal year ended June 30, 1869.*

The postages on United States and European mails were as follows:

The aggregate amount of postage (sea, inland, and foreign) on the mails exchanged with the United Kingdom.....	\$661, 112 50
With North German Union.....	521, 236 22
With France.....	243, 026 96
With Belgium.....	11, 563 04
With Netherlands.....	17, 583 59
With Switzerland.....	30, 286 20
With Italy.....	18, 964 54
<b>Total postages.....</b>	<b>1, 503, 773 05</b>

Being \$202,694 71 less than the amount reported for the previous year.

The postages on mails sent to Europe were as follows, viz:

To Great Britain.....	\$347, 617 05
To North German Union.....	257, 104 27
To France.....	133, 370 33
To Belgium.....	5, 752 05
To Netherlands.....	9, 001 19
To Switzerland.....	14, 191 99
To Italy.....	7, 333 80
<b>Total.....</b>	<b>774, 370 59</b>

The postages on mails received from Europe were as follows, viz:

From Great Britain.....	\$313, 495 45
From North German Union.....	264, 131 95
From France.....	109, 656 63
From Belgium.....	5, 810 99
From Netherlands.....	8, 562 40
From Switzerland.....	16, 094 30
From Italy.....	11, 630 74
<b>Total.....</b>	<b>729, 402 46</b>

Postages collected in the United States.....	\$939, 348 95
Postages collected in Europe.....	564, 424 10

Excess of collections in the United States.....	374, 924 85
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Number of letters sent from the United States.....	6, 083, 504
Number of letters received from Europe.....	5, 345, 047

<b>Total.....</b>	<b>11, 428 551</b>
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Being an increase of 1,359,892 over the number reported for the previous year.

The excess of postages on mails sent from the United States to different countries of Europe over that accruing on mails received from the same countries was as follows:

Great Britain.....	\$34, 121 60
France.....	23, 713 70
Netherlands.....	418 79
<b>Total.....</b>	<b>58, 254 09</b>

The excess of postages accruing on mails received over those sent was as follows:

North German Union.....	\$7, 027 68
Italy.....	4, 296 94
Switzerland.....	1, 902 40
Belgium.....	58 94
<b>Total.....</b>	<b>13, 285 96</b>

Table showing the increase and decrease of post offices in the several States and Territories; also the number of post offices at which appointments are made by the President, and by the Postmaster General, for the year ended June 30, 1869.

States and Territories.	Whole number of post offices, June 30, 1868.	Increase.	Decrease.	By the President of the United States, June 30, 1868.	Increase.	Decrease.	By the President of the United States, June 30, 1869.	Total by the Postmaster General, June 30, 1869.	Whole number of offices in the United States, June 30, 1869.
Alabama.....	475	13		8	1		9	479	488
Alaska.....	1	1						2	2
Arizona.....	15		1					14	14
Arkansas.....	351	5		3	2		5	351	356
California.....	444	25		18	2		20	449	469
Colorado.....	75	14		3	1		4	85	89
Connecticut.....	393	4		25	5		30	367	397
Dakota.....	31	4		1				35	35
Delaware.....	86	1		1	1	1		85	87
District of Columbia.....	5			2			2	3	5
Florida.....	108		2	4	1		5	101	106
Georgia.....	450		2	12	1		13	435	448
Idaho.....	31		2	2			2	27	29
Illinois.....	1,547	24		75	19		94	1,477	1,571
Indiana.....	1,270	15		40	6		46	1,239	1,285
Indian Territory.....									
Iowa.....	1,054	25		31	10		41	1,038	1,079
Kansas.....	329	52		6	5		11	370	381
Kentucky.....	872	7		18		1	17	862	879
Louisiana.....	203	13		3	1		4	212	216
Maine.....	800	6		22	1		23	783	806
Maryland.....	475	10		9			9	476	485
Massachusetts.....	670	5		64	3		67	608	675
Michigan.....	902	40		40	9		49	893	942
Minnesota.....	574	31		10	6		16	569	605
Mississippi.....	340	9		9	2		11	338	349
Missouri.....	1,062	41		20	3		23	1,060	1,103
Montana.....	36	17		2			2	51	53
Nebraska.....	158	21		2			2	177	179
Nevada.....	43	7		4			4	46	50
New Hampshire.....	394	6		12	4		16	384	400
New Jersey.....	503	12		24	7		31	484	515
New Mexico.....	43		3	1			1	39	40
New York.....	2,506	12		115	14		129	2,479	2,608
North Carolina.....	691	37		7	3		10	718	728
Ohio.....	1,973	32		72	4		76	1,929	2,005
Oregon.....	129	15		3			3	141	144
Pennsylvania.....	2,639	68		85	2		87	2,620	2,707
Rhode Island.....	98		2	8			8	88	96
South Carolina.....	285	20		5	2		7	298	305
Tennessee.....	709	26		8	5		13	722	735
Texas.....	494			10	5		15	479	494
Utah.....	97	7		1			1	103	104
Vermont.....	447	2		14	1		15	434	449
Virginia.....	950		11	15			15	933	948
Washington.....	66							66	6
West Virginia.....	566		17	5			5	544	549
Wisconsin.....	991	25		30	6		36	980	1,016
Wyoming.....	1	13			1		1	13	14
Total.....	26,481	665	40	849	133	2	980	26,196	27,106

## Statement of the postal receipts and expenditures of the

States and Territories.	Letter postage.	Newspaper postage.	Waste paper and twine.	Registered letters.	Stamps sold.	Emoluments.	Revenue tax.
Maine	\$5,503 04	\$19,833 33	\$37 55	\$16 65	\$267,144 55	\$15,391 37	\$1,317 86
New Hampshire	2,291 62	13,486 66	56 66	3 00	174,490 76	7,152 25	757 94
Vermont	2,970 00	13,468 43	55 38	11 80	169,547 43	4,652 95	604 29
Massachusetts	32,123 74	39,813 92	281 33	14 15	1,242,201 00	70,824 47	4,473 15
Rhode Island	3,023 49	4,667 72	38 47	80	122,251 69	12,266 03	552 75
Connecticut	6,824 64	17,966 91	111 49	7 40	371,390 51	20,121 49	1,636 55
New York	110,490 45	107,162 56	567 15	98 55	3,450,363 94	129,786 16	11,198 64
New Jersey	11,097 06	15,557 80	63 14	8 80	301,399 68	13,597 86	1,468 30
Pennsylvania	37,521 08	66,048 19	873 25	79 30	1,570,599 58	55,088 18	4,778 17
Delaware	531 66	2,332 95	8 14	20	45,672 51	649 51	76 14
Maryland	10,476 85	11,406 84	104 10	13 60	312,347 12	8,810 00	1,178 99
Virginia	2,404 56	15,486 76	59 20	8 10	242,973 93	13,666 78	1,318 51
West Virginia	1,221 85	6,974 68	4 79	14 10	78,749 29	2,817 31	315 21
North Carolina	968 69	7,758 08	2 16	26 20	99,414 79	4,796 47	424 46
South Carolina	1,982 92	5,345 13	10 50	2 20	92,643 58	6,153 55	343 00
Georgia	2,618 27	12,600 07	37 25	9 55	191,247 07	18,388 06	1,008 95
Florida	600 98	1,715 65	.....	.....	30,740 03	2,564 00	156 19
Ohio	17,649 66	71,380 65	666 08	50 40	1,031,129 55	60,646 10	4,196 00
Michigan	15,900 00	32,773 16	313 26	95 60	465,256 78	33,246 69	2,522 79
Indiana	6,020 13	36,896 66	96 35	69 10	405,817 65	34,404 93	2,310 86
Illinois	39,141 91	63,774 56	2,157 90	53 80	1,258,412 68	73,729 31	5,030 10
Wisconsin	18,857 47	28,426 17	207 03	30 75	371,757 39	24,373 04	1,939 91
Iowa	10,220 15	29,642 22	89 49	28 80	369,250 48	27,516 84	1,679 81
Missouri	10,261 71	29,548 50	138 17	35 65	500,278 36	21,100 14	1,609 73
Kentucky	4,210 48	16,027 79	125 23	14 60	249,407 07	11,664 81	1,141 37
Tennessee	2,114 39	12,147 15	108 32	18 70	186,633 60	8,663 97	942 65
Alabama	1,810 79	7,185 89	2 60	13 40	124,161 83	12,121 28	529 26
Mississippi	1,289 28	5,835 75	12 75	22 20	96,979 55	8,289 69	729 25
Arkansas	664 90	3,226 67	1 75	7 35	44,805 13	3,534 11	157 42
Louisiana	9,415 21	5,502 76	1 00	3 60	167,636 07	22,102 51	417 59
Texas	4,319 47	10,077 53	20 10	24 55	138,948 05	13,543 75	965 62
California	19,648 10	26,609 55	137 82	33 30	375,894 85	36,523 05	2,861 81
Oregon	589 11	3,543 68	12 1 60	.....	27,386 48	3,841 83	195 60
Minnesota	11,961 43	12,660 26	51 65	22 55	133,922 25	12,053 72	921 48
Kansas	1,547 98	7,551 54	5 78	6 00	97,654 95	8,045 73	659 13
Nebraska	1,500 19	3,213 15	3 85	3 45	52,309 26	4,585 91	273 88
Nevada	1,042 78	2,203 31	1 50	1 60	19,193 70	3,404 85	334 80
Colorado	805 10	1,854 83	23 00	20	21,094 48	7,625 99	381 25
Utah	1,134 92	2,005 84	9 90	3 60	21,065 07	1,847 80	188 24
New Mexico	196 94	337 71	.....	6 20	9,095 97	520 00	57 46
Washington	182 27	790 66	.....	9 35	7,029 67	481 39	.....
Dakota	323 25	456 43	.....	.....	4,309 40	203 00	.....
Arizona	33 40	106 19	.....	.....	2,154 42	44 60	.....
Idaho	160 13	554 98	.....	.....	4,931 04	1,835 25	95 00
Montana	495 95	622 79	.....	80	12,529 27	4,159 00	365 12
District of Columbia	5,362 05	3,003 64	573 23	.....	106,892 36	6,582 44	1,002 98
Alaska	26 67	.....	.....	.....	281 14	.....	.....
Wyoming	168 12	182 18	4 00	20	16,511 59	1,103 50	116 50
Deduct miscellaneous items	419,756 84	779,982 79	7,061 44	871 75	15,101,907 55	834,729 26	63,516 68
Add miscellaneous items	473 99	1,100 49	.....	43 60	69,723 81	8,610 31	12 51
	419,282 85	778,882 30	7,061 44	828 15	15,171,721 36	843,339 57	63,529 19

NOTE.—The following items of expenditure and revenue are not embraced in the above statement, viz:

Excess of expenditures brought down	\$1,175,860 08
Amount paid for foreign mails and expenses of government agents	1,685,366 22
Route agents, &c	916,804 62
Mail messengers and supply of special offices	344,160 64
Foreign postage collected and returned to foreign governments	224,822 21
Ship, steamboat, and way letters	8,076 35
Wrapping paper	30,271 00
Office furniture	673 92
Advertising	70,756 75
Mail bags	90,805 74
Blank agents and assistants	7,840 37
Mail locks, keys, and stamps	22,767 77
Mail depredations and special agents	134,341 78
Clerks for offices	17,797 48
Compensation to letter carriers	1,183,915 31



# REPORT OF THE POSTMASTER GENERAL.

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United States for the fiscal year ended June 30, 1869.

Receipts.	Compensation of postmasters.	Incidental expenses of post offices.	Compensation and incidental expenses.	Transportation, by States.	Expenses.	Excess of expenditures over receipts.	Excess of receipts over expenditures.
\$309,244 35	\$125,879 02	\$38,330 52	\$164,209 54	\$129,457 73	\$293,067 27		\$15,577 08
198,238 89	85,663 57	13,660 95	99,326 52	66,043 69	163,370 21		32,868 68
191,310 85	92,407 43	10,355 47	102,762 90	103,693 60	206,458 50	\$15,147 63	649,810 34
1,389,731 76	274,335 57	214,966 15	489,301 72	251,819 70	740,121 42		73,754 17
149,800 93	31,183 18	17,111 31	48,294 49	37,752 29	76,046 78		105,633 71
418,048 99	128,145 36	48,941 79	177,087 15	135,328 13	312,415 22		632,471 94
3,818,667 45	570,816 51	772,309 59	1,343,126 10	843,070 11	2,186,196 21		43,700 46
343,192 64	120,743 69	24,058 12	145,701 81	151,700 37	297,402 18		599,018 69
1,734,987 75	401,611 82	248,013 39	649,625 21	480,343 85	1,135,969 00		3,704 43
49,291 11	17,143 08	3,220 02	20,363 10	25,133 59	45,496 60		
344,436 50	62,917 34	70,254 34	133,171 68	241,333 46	374,505 14		30,068 64
273,917 84	95,375 51	44,477 77	139,853 28	269,817 12	409,670 40		133,752 56
90,037 23	38,167 45	15,690 95	53,858 40	76,407 12	150,265 52		40,168 39
113,400 85	49,951 79	10,440 93	60,392 72	138,480 71	198,873 43		85,472 52
106,480 88	32,519 76	13,072 84	45,592 60	126,144 74	171,737 34		65,256 46
225,903 22	65,337 64	35,541 38	101,279 02	179,368 20	280,647 22		54,738 00
35,806 85	16,130 18	3,922 75	20,052 93	149,589 34	168,642 27		132,835 42
1,185,718 44	348,517 67	161,898 32	510,415 99	635,729 20	1,166,145 19		19,573 25
550,107 68	199,234 13	71,769 90	271,004 03	265,508 94	537,012 97		13,094 71
485,615 68	199,035 15	71,548 63	270,643 80	300,577 84	571,221 64		85,605 96
1,442,300 26	370,786 98	210,885 82	581,672 80	543,361 42	1,125,034 22		317,266 04
445,591 76	169,790 91	43,877 75	213,668 66	237,148 88	450,817 54		5,225 76
438,636 79	176,035 21	34,289 14	210,344 35	188,036 86	398,381 21		40,235 54
582,972 26	132,286 44	89,246 45	221,532 89	357,334 01	578,868 90		15,894 64
282,681 35	92,333 22	41,346 84	133,680 06	194,943 83	328,621 95		45,942 60
210,627 28	66,642 01	45,396 47	112,238 48	146,321 55	258,560 03		47,932 75
145,878 05	43,182 51	21,755 62	64,938 13	219,535 12	284,473 25		138,595 20
113,159 47	54,156 91	10,298 37	64,455 28	160,540 83	235,036 11		111,877 64
52,397 33	23,227 87	6,281 56	29,509 43	231,868 70	261,378 13		208,980 80
205,078 74	23,354 53	36,423 00	58,777 55	238,078 53	296,856 08		91,777 34
167,899 07	60,250 59	20,918 36	81,168 95	533,768 10	614,937 05		447,037 98
461,703 48	80,320 82	91,768 87	172,095 69	598,116 97	770,212 06		308,504 18
35,531 42	14,851 59	5,175 53	20,027 12	128,201 38	148,228 50		112,677 08
171,593 34	69,345 06	15,853 31	85,198 37	172,835 49	258,033 86		80,440 52
115,511 11	46,733 53	15,278 52	62,032 47	438,419 07	520,451 54		404,940 43
61,888 69	17,411 56	8,518 64	25,930 20	263,042 86	290,973 06		229,084 37
90,182 54	13,041 68	7,825 61	20,867 29	223,170 64	243,797 93		217,615 39
31,954 85	16,109 93	6,421 00	22,529 93	46,618 11	69,148 04		37,163 19
26,345 27	8,778 45	9,203 16	17,981 61	725,896 52	743,878 13		717,532 76
10,214 38	6,223 80		6,223 80	317,282 00	323,505 80		313,291 52
8,493 34	4,462 31	697 83	5,160 14	115,546 12	130,746 26		112,252 92
5,302 08	2,953 64	4 25	9,937 89	8,565 25	11,523 14		6,221 06
2,338 70	2,623 00	4 00	2,627 00	142,563 00	145,189 00		142,650 30
7,576 40	4,562 90	1,613 00	6,175 90	50,505 34	56,685 24		49,108 24
18,172 93	10,714 58	5,318 53	16,033 11	88,254 48	104,287 39		86,114 66
123,422 70	6,038 25	105,118 15	111,746 40		111,746 40		11,676 30
316 72	150 00		150 00		150 00		166 72
18,086 09	4,241 52	3,080 85	7,322 37		7,322 37		10,763 72
17,207,916 31	4,476,324 09	2,727,044 77	7,203,368 86	11,013,339 85	18,216,708 71	4,580,107 51	3,571,315 11
70,728 55	70,634 34		70,634 34	153,161 85	223,796 23	147,067 08	
17,284,644 86	4,546,958 43	2,727,044 77	7,274,003 20	11,166,501 74	18,440,504 94	4,727,175 19	3,571,315 11

Expenses, postage stamps, and stamped envelopes	\$473,212 31
Dead letters, "moneys refunded"	5 00
Miscellaneous payments	674,066 25
	<u>6,440,813 91</u>
Excess of transportation accrued	\$27,337 27
Receipts on account of dead letters	8,818 00
Receipts on account of fines	57 50
Receipts on account of miscellaneous	20,653 36
Receipts on account of money order funds deposited	1,030,335 00
Total excess of expenditures over receipts	5,353,620 78
	<u>6,440,813 91</u>

J. J. MARTIN, Auditor.

Statement showing the transactions of the money-order office

State.	Number of orders issued.	Balance from last year.	Amount of orders issued.	Revenue.		Drafts and deposits received.	Balance due post-masters.	Transferred from postage fund.
				Total fees received.	Premiums.			
Alabama .....	16,437	\$4,761 69	\$391,169 84	\$2,551 65	.....	\$21,168 00	.....	\$3,827 15
Arkansas .....	13,777	6,447 48	485,055 00	2,711 20	.....	13,450 00	\$55 69	3,638 80
California .....	32,012	51,439 15	1,084,840 87	6,186 60	.....	740,174 12	17 38	3,476 00
Colorado .....	2,273	2,514 36	43,905 56	311 50	.....	.....	.....	.....
Connecticut .....	25,327	8,392 27	443,139 45	3,337 80	.....	207,829 63	61 93	15,521 00
Dakota Ter. ....	429	480 24	13,003 19	76 10	.....	.....	.....	.....
Delaware .....	3,314	1,036 81	50,791 31	443 15	.....	1,975 00	16 39	4,059 64
Dia. of Co umbia ..	14,108	1,753 18	309,525 14	2,023 25	.....	368,674 35	.....	.....
Florida .....	7,152	10,139 53	244,632 53	1,374 65	.....	.....	.....	518 00
Georgia .....	19,165	11,916 09	401,619 68	2,761 90	\$3 50	403,983 08	.....	12,832 84
Idaho Ter. ....	2,328	7,890 18	91,314 49	491 30	.....	4,300 00	.....	51 00
Illinois .....	132,734	45,396 92	2,282,793 37	17,237 05	.....	1,828,366 29	147 41	40,989 75
Indiana .....	75,415	21,860 04	1,929,305 50	9,581 50	.....	337,790 12	111 56	10,824 72
Iowa .....	62,950	13,922 06	1,125,416 52	8,370 75	.....	236,476 00	7 08	26,541 95
Kansas .....	19,413	15,163 31	455,211 82	2,992 35	.....	348,133 32	198 39	4,068 32
Kentucky .....	19,528	4,290 68	332,319 13	2,514 85	.....	201,140 34	126 62	11,227 64
Louisiana .....	13,341	12,376 91	376,893 83	2,263 30	.....	304,284 16	97	214 00
Maine .....	19,232	9,902 69	468,081 02	2,072 90	.....	237,301 00	116 45	21,640 39
Maryland .....	16,640	14,285 04	316,877 59	2,268 95	.....	459,893 01	10 84	3,576 55
Massachusetts ..	45,927	17,778 99	963,539 25	6,540 55	.....	1,484,136 22	37 10	33,980 50
Michigan .....	64,227	25,768 00	1,088,738 24	8,221 35	1 10	523,414 95	61 08	14,334 39
Minnesota .....	25,398	10,324 68	508,040 29	3,581 40	.....	146,381 23	12 02	10,794 64
Mississippi .....	13,088	1,471 13	306,706 43	2,017 95	.....	.....	26 79	1,278 48
Missouri .....	45,307	15,066 25	880,334 56	6,219 00	.....	651,693 33	14 30	16,230 02
Montana Ter. ....	1,646	2,870 02	54,868 84	310 60	.....	.....	.....	.....
Nebraska .....	6,764	1,759 98	148,584 15	993 40	.....	43,161 43	.....	1,245 00
Nevada .....	2,911	5,192 70	113,943 20	610 55	.....	.....	.....	.....
New Hampshire ..	12,577	3,843 87	248,885 50	1,744 65	.....	37,975 00	.....	13,502 15
New Jersey .....	20,159	7,145 99	385,069 93	2,746 40	.....	61,825 00	88 23	19,602 43
New York .....	117,088	91,931 94	2,097,100 25	15,997 10	.....	5,537,321 06	177 24	920,601 86
North Carolina ..	10,511	4,144 58	2,205,968 78	1,473 35	.....	2,506 00	.....	4,317 46
Ohio .....	119,089	33,356 79	1,942,672 08	15,275 40	12 50	1,407,441 62	31 61	44,090 74
Oregon .....	7,920	9,025 29	278,315 79	1,564 60	.....	10,851 00	87 85	4,980 84
Pennsylvania .....	95,030	30,761 77	1,690,440 40	12,565 30	.....	1,192,880 47	13 12	28,118 50
Rhode Island ..	8,415	2,154 61	154,329 00	1,116 80	.....	52,096 98	.....	2,539 01
South Carolina ..	9,063	2,022 05	204,724 38	1,351 95	39 87	114,039 00	3 30	1,319 22
Tennessee .....	28,185	9,081 05	619,892 92	4,148 75	.....	778,274 94	1 86	3,748 20
Texas .....	7,748	9,148 12	251,343 52	1,446 60	.....	.....	.....	3,386 35
Utah .....	1,750	2,363 34	47,603 92	290 05	.....	.....	.....	380 00
Vermont .....	14,354	4,644 52	242,958 40	1,849 25	.....	15,175 00	.....	19,355 00
Virginia .....	21,407	5,706 68	436,326 67	3,034 95	.....	472,842 43	.....	13,555 00
Washington Ter ..	3,116	6,963 84	125,035 40	672 15	.....	2,800 00	6 07	77 00
West Virginia ..	11,924	3,149 13	210,982 07	1,518 45	.....	10,600 00	4 45	490 00
Wisconsin .....	73,669	29,516 69	1,449,798 58	10,211 40	.....	983,663 00	430 16	5,732 55
Wyoming Ter. ....	1,214	.....	38,895 76	217 80	.....	.....	.....	.....
<b>Total</b> .....	<b>1,264,143</b>	<b>579,218 31</b>	<b>24,848,058 93</b>	<b>176,100 90</b>	<b>56 97</b>	<b>19,199,017 15</b>	<b>1,868 28</b>	<b>1,326,077 41</b>

OFFICE OF THE AUDITOR OF THE TREASURY  
FOR THE POST OFFICE DEPARTMENT, October 29, 1899.

# REPORT OF THE POSTMASTER GENERAL.

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of the United States for the fiscal year ended June 30, 1869.

Number of orders paid.	Amount of orders paid.	Amount of orders repaid.	Transferred to postage fund.	Deposited.	Expenses.	Commissions and clerk-hire.	Balance due the United States.	Miscellaneous items.
4,787	\$120,763 01	\$3,557 69	\$683 60	\$291,074 00	\$9 70	\$918 72	\$6,471 61	
2,818	99,619 48	2,159 43	338 80	388,319 45	924 85	1,149 40	18,847 15	
9,030	360,744 15	9,131 85	1,057,215 00	415,110 12	121 23	5,483 98	39,267 46	
549	15,249 28	571 40		29,544 00	18 00		1,348 74	
22,407	469,799 74	3,374 65	1,500 00	194,796 63	3 35	2,019 26	6,750 43	\$45 02
97	3,168 12	84 00		9,842 50		32 94	431 97	
2,091	44,956 05	643 39		20,629 00	60	256 45	836 81	
16,125	341,721 86	1,834 76		329,395 00	150 30	2,676 71	6,188 29	
1,962	72,978 85	1,650 15		176,339 94	39 54	574 99	5,081 94	
13,066	929,498 14	3,894 20		500,631 00	104 42	1,343 73	37,765 60	
554	23,927 50	1,349 75		71,197 00	8 67	222 53	7,341 52	
131,576	2,430,324 35	20,101 97	14,461 90	1,697,508 06	155 32	10,219 62	42,156 03	3 54
36,140	707,710 60	8,625 99	2,637 25	865,505 82	154 20	4,456 89	19,538 69	303 49
34,093	765,618 60	9,007 62	1,708 17	611,244 65	85 10	4,141 50	18,319 56	9 16
11,153	307,286 60	3,826 19		490,449 05	65 50	1,469 04	22,606 45	71 88
16,716	381,204 14	3,087 04	2,047 56	158,862 00	21 21	882 81	5,513 00	
10,568	327,457 50	2,523 47	87,919 00	263,040 57	49 71	650 86	14,392 56	
15,788	427,612 60	2,232 18		227,015 00	30 50	1,461 09	11,663 08	
27,367	624,428 22	2,874 33		163,297 13	8 00	609 28	5,695 02	
142,545	2,270,967 45	8,188 72	160 31	901,835 47	423 46	6,043 06	18,345 80	48 34
36,474	764,052 10	11,488 23	52 15	854,528 45	5 85	3,789 06	24,683 27	
13,567	330,975 10	4,394 42	1,412 18	325,824 54	10 00	1,476 04	15,042 58	
2,601	62,059 25	2,000 89	77 25	242,411 23	5 00	569 10	4,438 06	
49,655	1,182,787 63	9,380 63	7,085 00	347,734 49	21 00	4,455 55	18,083 56	10 60
424	17,310 99	100 00		36,204 00		144 20	4,290 27	
2,740	71,789 95	1,540 73		106,434 00	8 00	414 37	15,556 91	
388	16,678 60	668 95		98,429 00	56 95	244 01	3,668 94	
8,938	207,905 34	1,173 44	7 05	91,212 55	20 10	1,086 09	4,546 60	
17,200	354,420 32	3,612 57	51 00	111,460 95	34 25	1,770 02	5,024 60	104 27
276,212	4,609,613 44	21,454 73	117,845 00	3,810,960 13	918 97	12,204 32	89,674 76	458 10
3,689	69,977 14	1,470 32	310 46	141,395 60	32 04	668 32	4,562 29	
118,728	2,188,697 49	16,110 62	12,128 97	1,191,030 94	123 32	8,207 88	26,491 60	19 99
3,302	139,405 05	1,601 14	7 82	155,299 75		772 00	7,727 63	11 98
111,273	1,915,634 31	15,405 74	100 00	989,070 16	117 00	7,639 32	26,821 99	
5,519	129,571 55	1,426 95		77,683 98	2 00	708 37	2,824 05	19 50
5,429	126,059 68	1,015 16		188,256 00	18 54	403 64	7,806 97	3 78
15,212	380,741 59	4,849 57	962 24	1,003,701 80	45 75	2,078 35	22,769 11	
1,700	53,291 89	1,853 98	141,990 00	57,244 79	5,531 55	436 17	4,976 21	
474	15,399 68	1,241 15	380 00	31,268 00		134 20	2,214 28	
8,124	184,990 58	1,287 10	410 00	90,941 06	1 00	1,063 36	5,289 07	
15,282	329,855 49	3,094 86	5,590 00	581,149 97	95 33	1,277 18	10,383 45	19 45
1,072	47,273 07	703 63		81,082 00		326 04	6,169 72	
3,880	85,364 43	1,192 41		133,664 00	1 00	714 11	5,709 15	
47,453	1,075,177 11	11,165 43	31 46	1,309,658 00	102 50	5,915 79	32,302 12	
106	3,308 61	186 37	3,966 00	30,719 05		80 84	852 69	
1,248,874	24,447,376 66	206,746 80	1,461,078 77	19,262,990 13	9,631 81	101,062 19	640,472 49	1,129 19

J. J. MARTIN, Auditor.

# 776 PAPERS ACCOMPANYING REPORT OF POSTMASTER GENERAL.

Statement of the operations of the letter carrier system for the fiscal year ended June 30, 1869.

Offices.	Mail letters delivered.	Local letters delivered.	Newspapers delivered.	Amount paid carriers, including incidental expenses.
Albany, New York	1,391,046	120,195	261,555	\$20,563 78
Allegheny, Pennsylvania	424,328	45,533	237,138	6,146 43
Baltimore, Maryland	2,635,723	313,979	630,404	52,710 62
Boston, Massachusetts	4,263,670	1,197,670	759,348	62,043 04
Brooklyn, New York	2,079,454	297,154	561,148	37,067 87
Buffalo, New York	1,709,932	197,670	673,263	26,593 61
Cambridge, Massachusetts	345,120	20,973	223,923	3,943 87
Cambridgeport, Massachusetts	245,946	11,068	83,705	3,034 85
Charlestown, Massachusetts	394,779	92,147	128,965	4,661 00
Chicago, Illinois	8,498,030	974,517	1,652,572	77,621 24
Cincinnati, Ohio	2,862,362	478,172	484,128	62,944 32
Cleveland, Ohio	1,822,406	144,720	690,946	22,250 41
Detroit, Michigan	1,626,620	207,790	568,427	12,555 36
Erie, Pennsylvania	342,999	30,536	290,769	6,010 39
Harrisburg, Pennsylvania	250,723	13,030	85,118	3,706 50
Hartford, Connecticut	466,522	28,703	182,102	7,534 27
Jersey City, New Jersey	483,995	30,948	82,305	5,000 00
Lancaster, Pennsylvania	267,996	16,584	99,861	3,970 64
Lawrence, Massachusetts	265,733	17,853	110,082	5,804 57
Louisville, Kentucky	1,561,519	138,910	360,619	19,943 56
Lowell, Massachusetts	392,997	21,499	143,252	5,636 62
Lynn, Massachusetts	386,714	16,220	131,112	4,267 19
Manchester, New Hampshire	366,724	17,587	204,542	5,100 50
Memphis, Tennessee	841,000	49,161	206,259	11,272 22
Milwaukee, Wisconsin	1,354,331	106,635	378,686	18,333 63
Nashville, Tennessee	551,707	39,060	160,999	7,360 40
Newark, New Jersey	993,270	32,311	415,080	20,777 43
New Bedford, Massachusetts	239,498	9,816	69,352	5,036 74
New Haven, Connecticut	472,592	49,708	167,101	7,141 56
New York, N. Y.	17,331,883	8,154,675	3,529,495	292,568 65
Philadelphia, Pennsylvania	9,684,515	4,132,846	3,139,602	159,826 58
Pittsburg, Pennsylvania	1,163,346	161,138	412,536	16,464 63
Portland, Maine	401,963	29,230	169,684	7,949 20
Providence, Rhode Island	520,202	96,329	180,403	10,853 15
Reading, Pennsylvania	1,306,612	26,234	151,972	5,914 30
Rochester, New York	75,734	76,717	480,756	17,219 34
Roxbury, Massachusetts, (one quarter)	4,773,680	5,369	23,188	1,500 00
Salem, Massachusetts	241,949	16,965	103,829	46,855 91
Syracuse, New York	1,297,495	115,097	403,854	6,813 54
Toledo, Ohio	650,039	29,350	418,017	12,805 00
Trenton, New Jersey	194,121	13,144	74,613	8,656 00
Troy, New York	833,387	79,266	300,225	2,931 20
Utica, New York	822,613	68,361	339,046	11,018 25
Washington, D. C.	1,429,934	126,101	456,204	12,026 25
Williamsburg, New York	845,764	64,631	203,404	31,674 91
Wilmington, Delaware	476,142	43,008	168,168	11,485 14
Worcester, Massachusetts	395,193	36,607	133,870	5,004 29
Total	80,071,032	18,380,627	21,954,898	1,183,915 31

OFFICE OF THE AUDITOR OF THE TREASURY  
FOR THE POST OFFICE DEPARTMENT, October 29, 1869.

J. J. MARTIN, Auditor.

# REPORT

## OF THE

# COMMISSIONER OF AGRICULTURE.

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DEPARTMENT OF AGRICULTURE,  
*Washington, D. C., December 1, 1869.*

SIR: I have the honor to submit the eighth annual report of the Commissioner of Agriculture.

The year has been one of vicissitude; of mingled constancy and change; of general fruitfulness and local blight; of genial sun and fructifying rains, with periods of drought and inflictions of destroying tempest and deluging flood. The meteorology of the year has been marked and peculiar, threatening disasters which have been partially averted, and attended with various compensations. He that "causeth the grass to grow for the cattle and herb for the service of man," has overruled the strife of the elements, and crowned another year with goodness and blessing, so that "the pastures are clothed with flocks, and the valleys are covered over with corn."

The effect of these meteorological changes has been more or less injurious, in proportion to the degree of negligence in culture and crudity in condition of heavy or moist lands. In some instances soils which are naturally of superior excellence, but in inferior mechanical condition, have yielded unprofitable returns. The production of the country might be increased hundreds of millions of dollars by more thorough comminution of soils, by their proper modification and amelioration, and by the draining of saturated or tenacious lands. The loss from want of these agricultural improvements, serious in any season, is exceptionally large the present year. As another result, a wider range is seen in the rate of production per acre, extending from decided success to utter failure.

The monetary returns of the harvest have been equally varied with the degree of natural production. The general financial tendency toward a shrinking of values has reduced the prices of abundant crops, and caused a depression which has not been exceeded in the same quarters for years. The wheat farmer, with a full garner, is not joyous over his market returns; while the corn-grower, if blest with a full crop, has no cause for despondency. The cotton producer, who has not yet glutted the markets of the world with over-production, is jubilant over his golden gains. This difference in values and resulting

profits, always varying, yet ever observed in some degree, is more strikingly prominent than usual, and teaches the necessity of accurate calculation of the changing proportions of supply and demand, and the importance of variety in farm production, with due regard to a careful equilibrium between the multiform branches of rural industry.

The tendency of present prices of farm products indicates the necessity of increased attention to the propagation, growing, and fattening of farm animals, and to the production of meats, poultry, butter, cheese, milk, and various other animal products; while the prevalence of special cropping, upon a depletive and exhaustive system, enforces urgently the appeal for a mixed husbandry based upon stock-growing.

The activity and business energy of our countrymen naturally lead to great enterprises, in which much capital is employed, and labor is economized and made effective by means of machinery. While a mixed agriculture is recommended for farmers of limited means and moderate ambition, large ventures in special culture, by men of ample capital and great executive ability, should not be discouraged, unless their increased production is obtained at the expense of deterioration of the soil. Examples of large products and great profits act as a spur to the enterprise of the average farmer, but may work a serious injury to those in whom energy and zeal are not sufficiently supported by capital and ability to manage large affairs.

#### MENTAL CULTURE.

The American farmer is cultivating not soil alone, but brains. The most potent agricultural educator is the agricultural press. It wields a power a title of which it did not possess twenty years ago. Its improvement within that period has been wonderful, and its progress was never so apparent as at the present time. The most practical, earnest, and scientific workers in agriculture are the editors and writers of our rural literature. The mass of farmers are advancing in intelligence, and no longer stigmatize as "book-farming" the written experience of the most scientific and the most successful of their own class.

The industrial colleges, from which co-operation in this direction is confidently expected, are yet in process of organization. The Cornell University, with a munificent endowment, has been opened under gratifying auspices; a new faculty has been assigned to the Pennsylvania College; the New Hampshire College of Agriculture and the Mechanic Arts has just finished its initiatory course; the Massachusetts Agricultural College is fully organized and working successfully; the State Agricultural College of Michigan has enjoyed a year of prosperity; and the institutions of Maine, Connecticut, Maryland, Kentucky, Illinois, Wisconsin, Iowa, and Kansas have reported a reasonable degree of progress. Other institutions are on the eve of organization for active effort. It is desirable that all the States shall employ in the wisest manner this agency for advancing the intellectual status of the industrial classes.

## RENEWAL OF CANADIAN RECIPROCITY.

The farming interest is unalterably opposed to the proposition for the renewal of the reciprocity treaty with the Dominion of Canada, a measure fraught with dangerous competition, with few compensating advantages; a measure by which surplus crops grown with cheaper labor, bearing no part of the burden of our national taxation, would find convenient market in our seaboard cities, while our own surplus, produced at greater distance from our principal market, is subject to expensive transportation and heavy taxation. A limited number of merchants and forwarders in northeastern cities might realize a small advantage, but no class of American farmers would derive the least benefit from the arrangement. There is no good reason why the duties levied upon imports should not be operative alike, without favor or invidious distinction, upon all foreign powers and nationalities. If Canada, on one side, may be exempt from commercial restrictions, Mexico, on the other, may claim a similar advantage, and any foreign nation may demand exemption from restrictions which are equivalent only to the excise burdens placed necessarily upon our own people.

## THE WOOL INDUSTRY.

A period of depression has been realized by our wool-growers during the past four years, which has been shared by all other wool-growing countries, but which has been greatly modified and relieved by the operation of the present tariff, which has prevented the utter prostration of this necessary branch of industry in the present, and assured its rapid recuperation in the future. A sufficient quantity of carpet wools, not produced in this country, has been admitted from abroad at low rates of duty; a sufficiency of most grades of clothing wools has been produced at home and sold at lower prices than when foreign wools were admitted at nominal rates; and an impetus has been given to the production of combing wools, which will not only greatly benefit the textile interest, but improve the quality and quantity of mutton in the markets of the land.

Dissatisfied with present receipts and gloomy over future prospects, many farmers have sacrificed a portion of their flocks during the past year. It is estimated that four millions of culls were killed for pelts and tallow. American agriculture, in all its branches, is peculiarly subject to periods of elevation and depression from the impulsive action which stimulates over-production at one time, followed by panic and abandonment of the temporarily unprofitable pursuit. The wool interest has often suffered, not merely from ordinary causes of fluctuation, but more disastrously still from tariff charges, frequent and extreme as well as unexpected. It is essential to the welfare of this important industry that the present moderate schedule of duties should be continued without modification.

## THE CENSUS OF 1870.

The importance of full and accurate statistics of production has never been sufficiently realized. In no country within the pale of civilization is the necessity of such means of information so imperative. Until 1850 no schedules of agricultural production were incorporated into the decennial census, and then only a few of the leading features were included. In 1860 the list was enlarged, while the anomalous omission of *acreage* of crops still marred the value of the work. This feature, the first in the economy of every foreign census of production, furnishes, in connection with that of quantities, invaluable means of comparison and analysis. The enlightened judgment of Congress will doubtless remedy this defect in former enumerations in legislating for the census of 1870; and it is of equal importance that the vague and meaningless distinctions of "improved" and "unimproved" land should be replaced by more natural and useful divisions, showing the acreage of actual tillage, of permanent pasture, fallows or commons, and wood lands. While the schedules should be judiciously enlarged, care should be exercised to prevent burdening them with excessive fullness, complexity, or obscurity, which would militate against the accuracy and diminish the value of the returns. The question of taking the census every five years by the national government is worthy of deliberate consideration in a country so rapidly progressive in population and settlement; and it is to be hoped that the provision for annual returns of the principal farm products by local officers of certain States will be extended till it embraces all the States.

## SOUTHERN AGRICULTURE.

The continued high price of cotton has made its culture more profitable than at any former period, and the crop of 1868 has yielded a larger amount of money than that of 1859. The yield of the past year exceeded very slightly the estimate of this Department, which was 2,380,000 bales. The present season has witnessed great activity in this culture, an increase of area cultivated, and more general and generous fertilization, and has also been characterized by drought in the seaboard States, and other causes of diminished production, which have modified the expectations of planters; yet the crop will exceed that of last year, and may reach 2,700,000 bales.

I regret to observe, from official correspondence and during a brief tour through the cotton States, the tendency to neglect other crops and concentrate all available labor and capital upon a single product, however profitable. The inevitable result will be more cotton and smaller net returns in money after the purchase of needed supplies, and, as a further result, a slower improvement of neglected lands. This bane of southern agriculture is still operative, and may cease to exist only when low prices, disaster, and despondency shall again arrest the impolitic



and irrational course of production. I would not advise an attempt to keep up prices by limiting the yield; a somewhat larger supply of the staple is needed in the markets of the world; the present rates cannot be sustained indefinitely; but I would not foster the suicidal mania for cheapening the money-producing crop while rendering dearer every other that must be purchased as an auxiliary of its production.

It is gratifying, however, to note the increase of cotton manufactures in the cotton region, their flourishing condition, their large dividends, and the quality of their yarns and fabrics. Operatives are easily obtained, at reasonable wages, becoming readily inured to habits of systematic industry, and rapidly acquiring the requisite skill. At the commencement of the present year there were eighty-six cotton mills reported from southern States to the National Association of Cotton Manufacturers and Planters, running 225,063 spindles, consuming 31,415,750 pounds. The following are details of returns from the cotton States :

State.	Mills.	Spindles.	Average yarn.	Cotton spun.	Average per spindle.
Virginia.....	10	36,060	15½	4,010,000	111.18
North Carolina.....	17	24,249	10½	3,537,000	145.85
South Carolina.....	6	31,588	13½	4,174,100	132.14
Georgia.....	20	69,782	12½	10,864,350	155.70
Alabama.....	8	25,196	17	2,820,506	112.00
Mississippi.....	6	8,752	9	1,457,000	166.48
Texas.....	4	8,538	9½	1,372,104	160.90
Arkansas.....	2	924	8½	258,400	268.83
Tennessee.....	10	13,750	10	1,847,200	134.00

The cotton manufactured in the United States in 1860 was 422,704,975 pounds; in 1868, by these returns, 450,000,000 pounds. At the former date the home consumption was twenty per cent. of the crop; it is now forty per cent. As the ratio of consumption shall be further increased, the prosperity of the country and of the cotton section will advance.

The sugar interest is rapidly attaining its former proportions. A disposition is indicated to extend its culture beyond the cane plantations of the Mississippi River to Florida, Southern Georgia, and Texas. Fruit culture is gaining a prominence which it never before enjoyed; vineyards of hundreds of acres in extent have been established, and orchards of thousands of acres, with groves of oranges and other tropical fruits. There is evidence of progress also in the use of improved agricultural implements, the employment of fertilizers, and in the mental activity and spirit of inquiry which are moving the rural mind of this section.

#### THE WHEAT CULTURE.

The wheat interest is at present suffering from one of the periodical seasons of depression which are the inevitable result of exclusive reliance upon a single crop. A good yield was obtained last year, and

still larger result the present season; this fact, in combination with financial causes, has depressed the price to a lower point than has been reached since 1860. The continuous planting of the new lands of the West with wheat is removing westward, year by year, the center of wheat production, and increasing the distance of transportation, while the railroads, by their combination and advance of tolls to secure dividends upon watered stock, are increasing in equal ratio the cost of freights. Thus are wheat-growers reaping the fruits of their own improvident husbandry, and suffering extortion and loss from the accident of location. A diversification of industry, both agricultural and manufacturing, will render them masters of the situation, and release them from subservience to the railroads and European wheat markets. The pioneer or "skinning" system of culture must be abandoned, at least in the settled States, and capital be used in farm improvements. A judicious investment in draining often pays one hundred per cent. the first year; a single horse-hoeing of growing wheat, as reported to this Department, has doubled the yield, and paid a thousand per cent. upon its cost; and improvement in breeds of farm stock yields large dividends upon the investment.

#### HOLDING NON-PRODUCTIVE LANDS UNPROFITABLE.

The greed for the acquisition of land is a serious bar to progress in farm improvement. The aim of the pioneer has been, not to become a good farmer, but a holder of broad acres—to grow more wheat, to buy more land. The result is a sparse settlement, poor roads, straw stables, few farm improvements, and a slow advance in prices of real estate after the first sudden rise in values. It is a dangerous fallacy that non-productive farm lands are profitable. Excepting only a brief period of frontier development and proximity to rising cities, the causes which influence the advance of prices of such lands can never swell the coffers of capital like the wonderful accumulating power of compound interest.

The following table, showing the increase of the assessed valuation of farms between 1850 and 1860, a period of great agricultural activity and almost unexampled advance in prices of farm lands, points to the folly of expecting to realize wealth from the soil except by its judicious cultivation:

States.	1850.	1860.	Increase per acre per annum.	Increase per centum per annum.
Maine .....	\$12 04	\$13 73	\$1 69	1.44
New Hampshire .....	16 28	18 61	2 33	1.45
Vermont .....	15 35	22 05	6 70	4.39
Massachusetts .....	32 50	36 91	4 41	1.31
Rhode Island .....	30 81	37 50	6 67	2.11
Connecticut .....	30 50	36 27	5 77	1.88
New York .....	29 00	36 36	7 36	2.52

Table showing the increase of the assessed valuation of farms, &amp;c.—Continued.

States.	1850.	1860.	Increase per acre per annum.	Increase per centum per annum.
New Jersey.....	\$43 67	\$60 41	\$16 47	3.73
Pennsylvania.....	27 33	38 91	11 58	4.21
Delaware.....	19 74	31 29	11 55	5.65
Maryland.....	18 81	30 18	11 37	6.06
Virginia.....	8 27	11 04	3 67	4.45
North Carolina.....	3 23	6 03	2 80	8.62
South Carolina.....	5 06	8 63	3 54	6.93
Georgia.....	4 19	5 80	1 70	4.02
Florida.....	3 96	5 62	1 66	4.13
Alabama.....	5 29	9 20	3 91	7.34
Mississippi.....	5 21	12 42	7 21	13.66
Louisiana.....	15 19	22 02	6 83	4.41
Texas.....	1 43	3 47	2 04	14.29
Arkansas.....	5 87	9 57	3 70	6.31
Tennessee.....	5 15	13 12	7 97	15.46
Kentucky.....	9 14	15 21	6 07	6.63
Missouri.....	6 49	12 04	5 55	8.53
Illinois.....	7 15	19 55	12 40	17.33
Indiana.....	10 66	21 76	11 10	10.41
Ohio.....	19 93	33 12	13 19	6.63
Michigan.....	11 83	22 87	11 04	9.33
Wisconsin.....	9 58	16 61	7 03	7.33
Minnesota.....	5 60	10 14	4 54	8.13
Iowa.....	6 08	11 90	5 82	9.54
California.....	99	5 58	4 59	46.36
Oregon.....	6 58	7 37	79	1.24
Utah.....	6 65	14 82	8 17	12.26

## RAMIE.

The *Boehmeria tenacissima*—the name under which the new botanical classification for what was formerly designated *Urtica nivea*—known in commerce as China grass, and locally as ramie, and by many other synonyms, has been disseminated throughout the South, and is beginning to be cultivated in extensive plantations. I have given much attention to the propagation and dissemination of this plant, with a full appreciation of its capabilities, and an earnest endeavor to aid in overcoming the mechanical difficulties which at present limit its use in textile productions, and I have witnessed with regret the unenlightened enthusiasm and unreliable statements by which interested propagators have discredited an enterprise which should have a fair and successful trial. The value of the fiber is unquestioned; its use could be largely extended if it were properly prepared for market; and its ultimate success will depend, not upon the facility of its culture or the suitableness of climate, but upon the economy of its manufacture. A prominent manufacturer in Bradford, England, expresses the opinion that it will become a staple fiber, and in some degree supply the place of cotton or wool, if it can be

procured for £45 to £50 per ton, or ten cents per pound. There is a present limited demand for it at £70 per ton. He states that American planters are injuring their interests by their manner of preparing the fiber, declaring all samples received, from which attempts have been made at discharging the gum, to have been tender, nearly decayed, of bad color, and entirely without luster. No reliable machine for stripping the fiber and taking off the outer bark has yet been put in operation. Such an invention may do much toward deciding the practicability of placing this among the valuable and permanent products of our agricultural industry.

#### CINCHONA.

I have, in a former report, called attention to the propriety of the cultivation of the Peruvian bark tree within the limits of the national domain, and would again urge the necessity which exists for establishing a cinchona plantation at the point most suitable for its healthy growth, and I trust that a liberal appropriation will be made for this purpose.

#### INTERNATIONAL EXCHANGES.

The system of international exchanges recently adopted by the Department has been continued during the past year with gratifying success, and arrangements have been completed, in addition to those announced in my last report, with the governments of Brazil, Bavaria, Russia, Switzerland, and Honduras; the Horticultural Union Society of Berlin, Prussia; the Royal Society of Brussels, Belgium; the Royal Gardens of Madrid, Spain; the Horticultural Society of Bremen, Germany; the governor-general of Vilayet, Turkey; the Royal Meteorological Society, London; the Scottish Meteorological Society, Edinburgh; and the Agricultural Society of Sydney, New South Wales.

Relations of exchange are now existing with nearly three hundred learned agricultural and industrial societies, chiefly European, but some of them in Asia, Africa, and South America. In nearly every case in which the proposition for exchange has been made the response has been prompt and favorable. In many cases the societies, in addition to their own publications, have presented to the Department valuable works published by private parties. Several governments have also presented their publications upon agriculture and kindred subjects.

During the year one hundred and three varieties of American tree seeds have been sent to the Botanical Garden, Melbourne, Australia; similar assortments to the royal Minister of Agriculture, Australia; to the Botanical Garden near London, England; and to the Botanical Garden, Madrid, Spain. To the Agricultural Society of Good Hope thirty-two packages of cereals have been sent; fifty pounds of American cotton seed to the Chinese government; one hundred and thirty pack-

ages of vegetable seeds to the Japanese government; and one hundred and thirty-four papers of American tobacco seed and eighty-six packages of cereals to the republic of Liberia, Africa. Donations of a similar character, for experimental purposes, have been received from the principal countries of Europe, from colonies of Great Britain, from Central and South America, from the Chinese and the Japanese government, and from the West Indies.

#### THE LIBRARY.

During the year nearly one thousand volumes have been added to the library, the additions consisting exclusively of works upon the special interests committed to the charge of the Department. A portion of the books have been purchased, but the larger number have been received in exchange for publications of the Department. The additions made are of great value, being fresh and reliable records of the progress of agriculture and collateral sciences throughout the world, including new discoveries in botany, geology, natural history, chemistry, meteorology, &c. The Department is also in receipt of all the prominent agricultural journals, both foreign and domestic, which of themselves will soon constitute a reference library of value.

#### DISEASES OF STOCK.

The numerous epidemics and zymotic diseases by which our cattle are infected demand the intelligent consideration of the general government and of the several States. Besides the ordinary diseases to which cattle in open pasture are subject, there is much suffering and loss produced by the restraint and unhealthy conditions in which our domestic animals (especially the cow and the horse) are placed, in disregard of their natural habits and of the well-known laws of hygiene. Simple humanity, irrespective of any pecuniary consideration, would dictate that the services of these useful animals should be rewarded by proper care and attention; but when it is known that several of the diseases which are produced by our neglect of animal comfort are continually communicated to man—small pox, typhoid fever, and glanders among the number—it would seem to be the duty of the government not only to direct the attention of the agricultural community to the want of care of stock and to the general ignorance of appropriate treatment, but also to encourage the establishment of institutions where veterinary medicine and hygiene, in their widest application, may be taught, and a class of practitioners be produced capable of solving the problem—how to preserve domestic animals in good health under conditions not natural to the species. The experience of the past few years has demonstrated the increased necessity of such facilities, and I therefore strongly recommend the establishment of a division of veterinary surgery in connection with this Department.

## THE ANNUAL REPORT.

A change has been effected in the matter and style of the annual volume of Department transactions, which will enhance its value and enlarge its usefulness. Exhaustive treatises upon special topics by private individuals have been discarded, and in their place are presented, under the report of the Editor, digests of official researches upon popular and timely topics, suggested by the exigencies of the hour and illustrative of the direction of rural progress. These investigations, instead of being conducted by a single individual from private resources, are made with the aid of a large corps of special correspondents, officers of industrial organizations, diplomatic representatives of the country abroad, and experts in special branches of rural technology. While the co-operation of experts is thus secured, the unity and consistency of the work is not marred by dissimilar views and irreconcilable differences of fact and opinion. It is believed that this plan will enhance the practical value of the volume, and render it more legitimately a report of official operations and a record of agricultural progress.

## CHEMICAL DIVISION.

The work of the chemical division has been considerably increased. The number of analyses performed has been greater than in previous years, while the information given, orally and by letter, to parties applying for assistance on matters of industrial chemistry, has occupied more working time and has been more comprehensive than ever before. The general operations of the laboratory have embraced analytical work for agricultural communities and societies in various parts of the country, for individual farmers and others, for large industries, and for other departments of the government. The laboratory has been rendered more efficient by the purchase of additional apparatus, but the outfit is not yet complete. The collection of minerals deemed necessary to illustrate agricultural and economical geology is in course of formation, and valuable specimens are being received from time to time from various sections of the country, cases for the exhibition of which are being constructed.

## THE MUSEUM.

The agricultural cabinet or museum of the Department has been enlarged and improved during the year, and gives renewed evidence of usefulness as a means of reference in agriculture and industrial arts. Valuable donations are being received from individuals and societies in all quarters of the globe. During the past year the Department has received from various parts of the country many valuable additions to the museum of fruits, grains, seeds, and fibers, both animal and vegetable; especially a very valuable collection from the Smithsonian Institution, comprising fibers used for manufacturing purposes; specimens of

natural history, insects, &c., from the Army Medical Museum; together with economic substances, such as farina, gums, resins, materials used for dyeing, and specimens of insects, and various roots and seeds used by the Indians either as food or for medical purposes. Additional cases will be required for the accommodation of accumulating material.

Applications have been received for duplicate models of local fruits for State museums, and valuable varieties of southern fruits, native seedlings, almost unknown to the country at large, should be added to the present collection; and a small appropriation will therefore be asked to renew the work of modeling new and approved varieties of fruits.

No provision has yet been made for the exhibition of the large collection of insects injurious or beneficial to agriculture. Suitable cases, in which to classify and arrange them, will be prepared as means for such improvements are provided; and additional facilities will thus be furnished to the students of practical entomology for the prosecution of their investigations in an important field of science.

#### THE BOTANICAL COLLECTION.

During the past year the botanical division of this Department has been reorganized and placed in charge of a scientific and practical botanist. The large collection of plants derived from the various government explorations and surveys, which have heretofore been placed in the custody of the Smithsonian Institution, have been transferred to this Department, and are now arranged in suitable cases for convenient study and reference, constituting the nucleus of a national herbarium. The specimens already arranged are estimated to number fifteen thousand, and the regular additions will probably amount to two thousand species annually. The value of this collection is much enhanced by the fact that it comprises the typical specimens from which many of the new species have been described. They have been authenticated by Professors Gray and Torrey, to whom they were referred for study and examination. During the past season valuable additions have been made from correspondents in different parts of the country, including, especially, a set of Florida plants collected by William M. Canby; Texas fungi and grasses, from W. H. Ravenal; and plants of New Mexico and Arizona, from Dr. E. Palmer. Large collections are also expected from the recently completed geological survey on the 40th parallel, by Clarence King, and the expedition of Professor F. V. Hayden, during the past season, in Colorado and New Mexico. From all these sources it is expected that present deficiencies will be supplied and material afforded for profitable exchange, and a collection eventually be secured that will prove attractive to botanical students of this country and of other lands. The correspondence connected with this branch of the Department is already quite extensive, and many questions of botanical or economic interest relative to our native or cultivated plants are daily received and answered.

## BOTANICAL EXPLORATIONS.

The Department has not been able to enter upon any extended system of exploration for the purpose of determining the natural vegetation, agricultural resources, and botanical productions of districts remote or little known, yet sufficient has been accomplished in this direction to show the advantages of such investigations on a more extensive scale. In connection with the investigation instituted to develop the character and cause of the "Texas cattle disease," H. W. Ravenal, the well-known southern botanist, visited Texas last spring for the purpose of observing and collecting the native fungi, supposed by many to have some direct connection with the cause of this formidable disease. He collected such material as the early season afforded, to represent these obscure forms of vegetable growth, and this collection, comprising nearly three hundred distinct species of fungi, properly arranged and labeled, is now deposited in the Department herbarium. Six hundred species of native grasses and other plants were also secured. He has recently been engaged in collecting seeds of rare trees and shrubbery in the vicinity of Aiken, South Carolina, which have been forwarded to the Department for experimental propagation and distribution; and for their proper authentication dried specimens have been preserved and placed in the Department herbarium.

In connection with the Smithsonian Institution, arrangements were made last spring to send a competent collector in natural history to Western New Mexico and Arizona, a region known to contain among its vegetable products valuable fibers, nutritious grains and roots extensively used by the Indian tribes in that district. Dr. Edward Palmer, a successful collector heretofore in that section, undertook a further exploration, in the early part of the season, and has been diligently occupied in collecting specimens in ethnology and natural history, which have been forwarded to the Department, with statements of their habits and economic uses. Of the rare plants, including several new species contained in the collections thus far received, duplicates, as far as they can be spared, have been sent to the different standard herbaria. The extensive collection of dried plants recently transferred from the Smithsonian Institution still continues to receive large additions from the same source. Recent government surveys are also adding constantly to this accumulating stock, and by direction of the Surgeon General of the United States Army the medical staff has been authorized to aid in such collections at different frontier military posts.

During the past fall the botanist of this Department, Dr. C. C. Parry, made a personal exploration of Central and Western Kansas, and Eastern Colorado, as far as the base of the Rocky Mountains, where collections of native forage grasses, ornamental plants and shrubbery, wild grain seeds, and fiber-producing plants, were successfully made. Spe-



cial attention was given to the timber growth and the agricultural and pastoral capacities of this district, which has recently assumed a rapid development.

#### THE EXPERIMENTAL GARDEN.

The chief objects of this garden are the propagation of plants of national interest and the testing of the merits of new varieties. The impression seems to prevail that the Department proposes to furnish plants of every description to all who make application, and orders, precise and exacting as could be given to a commercial establishment, are frequently received for the most common varieties of trees and plants. The impropriety and impracticability of meeting such demands scarcely need to be stated, so inconsistent with the intention of Congress would be such promiscuous and general distribution, and so disproportioned to the limited appropriation for this branch of the Department. Special regard has been paid in the distribution made, to the selection of the best localities for the trial of new varieties of plants deemed worthy of introduction and more general propagation.

The number of plants sent out from the garden during the year is 31,700. Collections of native grapes have also been sent to the Jardin des Plantes, Paris, and to the Kew Gardens, and the gardens of the Horticultural Society in England. From the Kew Gardens there have been received a valuable collection of species of the cinchona or Peruvian bark tree; *Aralia papyrifera*, the paper plant of China; several *Musas* and New Holland plants; and an extensive collection of seeds of hardy shrubs and trees from various countries, for use in the arboretum now being formed in the Department grounds. Seeds have also been received in exchange from the government gardens at New South Wales, Australia, and from other foreign countries.

#### DISTRIBUTION OF SEEDS.

There have been issued from the Department, from December 1, 1868, to December 1, 1869, 311,802 packages of seeds, including varieties of vegetables, flowers, wheat, rye, barley, oats, ramie, tobacco, clover, rice, cotton, and sorghum, distributed as follows: To members of Congress, 111,975; agricultural societies, 64,975; correspondents of the Department, 65,274; meteorological observers, 13,016; miscellaneous, 67,379. Reports of the success attending experiments with seed distributed are daily received, a digest of which is published in the monthly reports, and some of the more notable are given in the accompanying reports of annual transactions. Especial attention has been given to the introduction of the best varieties of cereals suited to the different climates and soils of the country. These have been very widely disseminated, and meet the warm approbation of farmers in every section of the Union.

*The testimony of experimenters during the present year has estab-*

lished, by an overwhelming voice, the great utility and public economy of the present system. But it is apparent, upon the least reflection, that the quantity of seeds and plants for which the congressional appropriation provides is by no means commensurate with the importance of the object. The direct effect of this limited distribution is clearly indicated by its reported results. It is susceptible of demonstration that a judicious distribution of seeds will increase production to the extent of several millions of dollars.

#### THE DEPARTMENT GROUNDS.

The improvement of the grounds is progressing as rapidly as the limited means provided will admit. The composite roads continue to give satisfaction, presenting a hard, clean surface at all seasons and in all changes of weather, and when properly made they are economically kept in condition, being altogether exempt from grasses and weeds, so injurious to graveled roads and walks.

The planting of the arboretum was commenced early in the season; one-half of the entire list was set out, and, notwithstanding the unusually arid summer, few losses have occurred. The completion of this collection is eagerly urged by those who appreciate its importance and value to the practical arts as well as to botanical science.

We cannot overestimate the benefits that must necessarily result from a collection of plants whose products are of commercial value in the arts, manufactures, and medicine. The mere exhibition of such collections, when systematically arranged, is productive of much good; and the impetus that is now being given to a diversification of products, especially in the warmer latitudes of this country, calls for a more intimate knowledge of the various oil, gum, sugar-bearing, and fiber-producing plants of the world.

Although we may assume that all plants (except extra-tropical) will flourish in some portion of our country, the question of profitable production does not in all cases depend alone upon geniality of climate or proper soil; the kind as well as the amount of manipulation necessary to secure a marketable commodity must be taken into consideration before entering into competition with other countries. As an example, it is well understood that the tea-plant may be grown to perfection over a large extent of country, but the amount of manual labor required in its preparation for commerce precludes the possibility of competition with the very cheap labor of China. Where machinery can be advantageously employed, the question assumes a different aspect, rendering it probable that many articles now imported at great cost may be profitably produced in this country.

#### INSUFFICIENCY OF CLERICAL COMPENSATION.

The inadequate rates of compensation attached to responsible positions in this Department are a bar to the highest efficiency of the ser-

vice. I have been unable to obtain, in competition with private business, a sufficient number of trained and skillful workers in the various departments of agricultural investigation, and can only expect to retain those who have wrought efficiently in the work already accomplished at a sacrifice of their personal interests for the public good.

The most laborious walks of chemical, natural, and social science must necessarily be explored; the rarest wisdom and ripest experience in practical affairs are demanded daily; and enlightened zeal and untiring industry are absolutely requisite to grasp and master the agricultural problems of a continent in this era of progress. It is a matter of grave necessity that relief should be afforded and the efficiency of the Department increased; and it is sincerely to be hoped that Congress will without delay classify anew the clerical grades, and increase the compensation for skillful and able service.

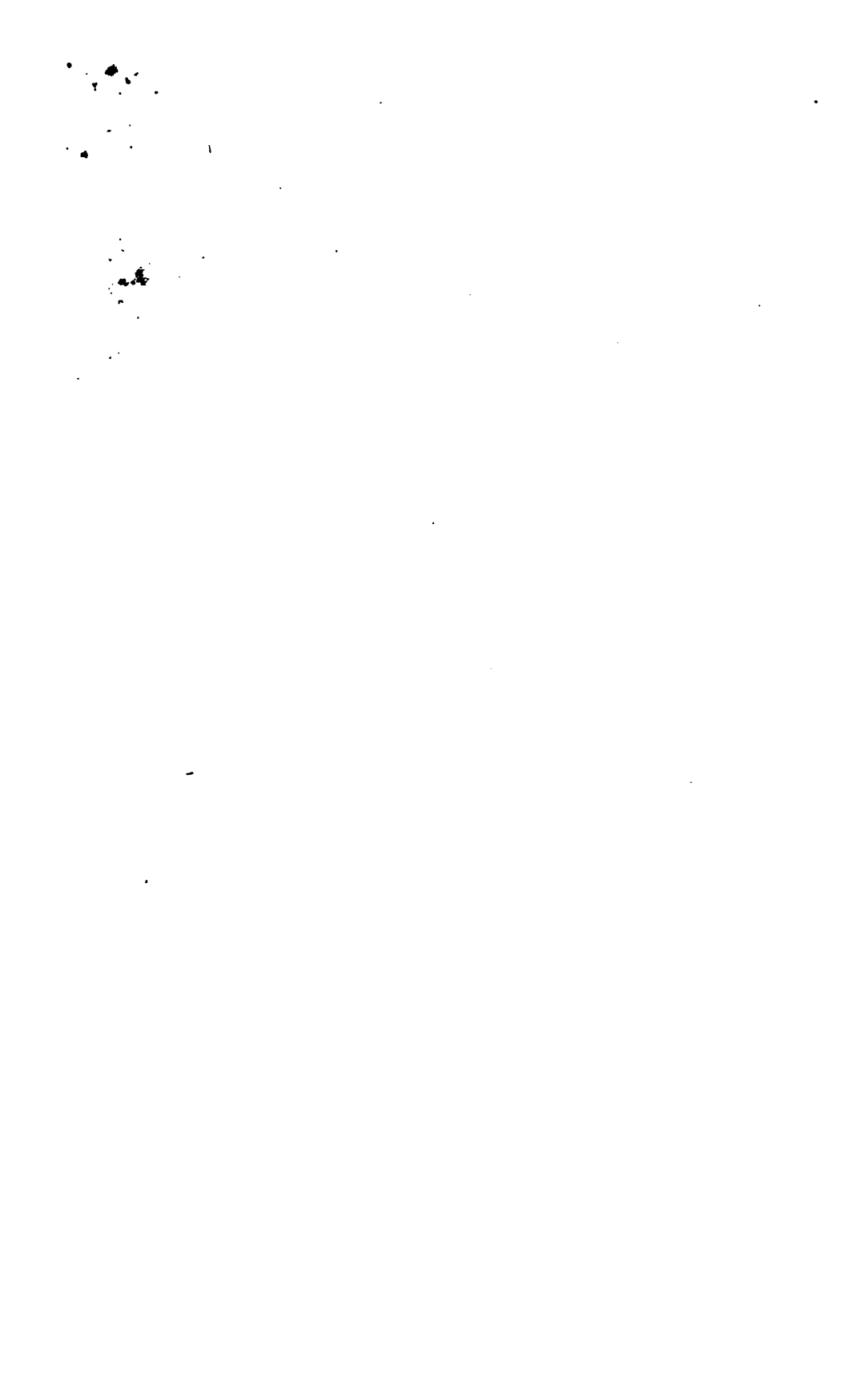
#### FINANCIAL.

There has been expended since November 30, 1868, the date of my last report, the sum of \$176,698 50, leaving a balance unexpended of \$90,000, for the remainder of the fiscal year ending June 30, 1870.

A general regret has been expressed, from all sections of the country, that the appropriations to this Department are so small, when the opportunities for stimulating agricultural progress and increasing production are so various and fruitful. Surprise is especially felt that some of the more important items of the appropriation have been so greatly reduced within two or three years past. The South is calling for information, investigation, increase of products, and improvement of varieties; other portions of the country are making reasonable demands upon the resources of the Department beyond its ability to supply. A little system infused into our proverbially unsystematic agriculture would annually increase the value of farm crops by a sum far larger than the annual interest on the national debt, and a partial remedy for deterioration in seed would prove an equal advantage. It cannot be doubted that this Department should do much, with adequate support, in both these directions. A larger appropriation is, therefore, respectfully urged upon the attention of Congress.

HORACE CAPRON,  
*Commissioner of Agriculture.*

His Excellency ULYSSES S. GRANT, *President.*



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